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LEGISLATIVE HISTORY

Public Law 87-112
H. R. 7444

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INDEX AND SUMMARY OF H. R. 7444

June 2, 1961	House Appropriations Committee reported (during adjournment) H. R. 7444. H. Report No. 448. Print of bill and report.
June 6, 1961	House passed H. R. 7444 with amendments.
June 7, 1961	H. R. 7444 was referred to the Senate Appropriations Committee. Print of bill as referred.
June 14, 1961	Senate subcommittee approved H. R. 7444 for full committee consideration.
June 15, 1961	Senate committee reported H. R. 7444 with amendments. S. Report No. 394. Print of bill and report.
June 16, 1961	Sen. Russell submitted notice of his intention to move to suspend the rules for the purpose of proposing an amendment. Print of amendment.
June 20, 1961	Senate passed H. R. 7444 with amendments. Senate conferees were appointed. Print of bill as passed by Senate.
July 10, 1961	House conferees were appointed.
July 11, 1961	Conferees met in executive session but did not reach final agreement.
July 14, 1961	Conferees agreed to file a report.
July 17, 1961	House received conference report on H. R. 7444. House Report No. 726. Print of report.
July 18, 1961	Both Houses agreed to the conference report.
July 26, 1961	Approved: Public Law 87-112.

which amended the Shipping Act, 1916, by authorizing continuation of the conference dual-rate system.

PUBLIC LAW 87-84 (H. R. 5723) VETERANS' HOUSING LOANS (approved July 6, 1961). Extends the veterans' guaranteed and direct home loan program until various dates between 1962 and 1975. Makes funds available totaling \$1,200,000,000 for this program.

PUBLIC LAW 87-88 (H. R. 6441) FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1961 (approved July 20, 1961). Increases the annual authorizations for Federal grants to help communities to construct sewage treatment plants. Authorizes \$5 million annually, with an overall limit of \$25 million, for development of new methods of sewage treatment. Authorizes the establishment of water-pollution demonstration and research facilities and requires that at least one laboratory be located in each of the following areas: Northeast, Middle Atlantic, Southeast, Midwest, Southwest, Pacific Northwest and Alaska. Authorizes Federal agencies constructing reservoirs to include capacity for water quality control. Directs HEW to make a study of water-quality needs and waste-disposal practices in the Great Lakes. Requires that water polluted by discharges from Federal facilities be included in any Federal report on pollution.

PUBLIC LAW 87-90 (S. 537) SURPLUS-LAND CONVEYANCE (approved July 20, 1961). Amends section 13 (h) (2) of the Surplus Property Act of 1944, as amended, to remove the technical restriction imposed on transfers for historic-monument purposes. Eliminates the stipulation restricting transfers to properties acquired by the United States subsequent to January 1, 1900, and substitutes a 50-year criteria for determination of historical significance.

PUBLIC LAW 87-91 (S. 540) ADVANCE PAYMENTS FOR PUBLICATIONS (approved July 20, 1961). Provides uniform authority for Federal departments and agencies to make advance payments for publications which do not fall within the category of newspapers, magazines, or other periodicals.

PUBLIC LAW 87-92 (S. 1720) AGRICULTURAL SURPLUSES FOR FAMINE RELIEF (approved July 20, 1961). Continues indefinitely the authority contained in title II of the Agricultural Trade Development and Assistance Act of 1954 to use grants of surplus agricultural commodities for purposes of promoting economic development in underdeveloped countries.

PUBLIC LAW 87-94 (S. 796) USE OF SURPLUS PROPERTY BY STATES (approved July 20, 1961). Amends the Federal Property and Administrative Services Act of 1949, as amended, to permit the State distribution agencies for surplus property to use certain types of property and, under certain circumstances, acquire title to the property for use in carrying out their administrative responsibility involved in the distribution of surplus property to health, education, and civil defense activities.

PUBLIC LAW 87-104 (S. J. Res. 116) WHEAT MARKETING QUOTA REFERENDUM (approved July 25, 1961). Amends section 336 of the Agricultural Adjustment Act of 1938, as amended, to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962, from July 25, 1961 to August 26, 1961.

PUBLIC LAW 87-105 (S. 1462) GRAPES-AND-PLUMS STANDARDS (approved July 26, 1961). Authorizes the Secretary of Agriculture to establish minimum standards of quality for any variety of exported grapes and plums. The previous law did not permit such determinations by variety.

PUBLIC LAW 87-106 (S. 1710) EMERGENCY LIVESTOCK LOANS (approved July 26, 1961). Continues until December 31, 1961, the authority of the Secretary of Agriculture to make emergency livestock loans and supplemental advances to borrowers.

PUBLIC LAW 87-110 (H. R. 4591) SUSPENSION OF DUTY ON METAL SCRAP AND HORSEMEAT (approved July 26, 1961). Continues until June 30, 1962, the suspension of duties on metal scrap and amends the Tariff Act of 1930 to place horsemeat on the free list.

PUBLIC LAW 87-112 (H. R. 7444) DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION ACT, 1962 (approved July 26, 1961). Title I of the Act provides annual appropriations for regular activities of the Department (other than Forest Service) for the fiscal year 1962 in the amount of \$1,397,934,500. In addition, Title I authorizes \$588,000,000 to be borrowed from the Secretary of the Treasury for loan programs of the Rural Electrification Administration and the Farmers Home Administration, excluding \$137,500,000 in contingency borrowing authority. Title II (Foreign Assistance Programs) appropriates \$1,600,000,000 for 1962 costs of Public Law 480, International Wheat Agreement, and Bartered Materials for Supplemental Stockpile programs. Title III (Corporations) appropriates \$1,017,610,000 for Restoration of Capital Impairment of the Commodity Credit Corporation, \$90,000,000 for reimbursement to CCC for 1961 costs of the Special Milk Program, and \$1,861,915,000 for reimbursement to the Commodity Credit Corporation for prior year costs of Special Activities. Title III further provides an administrative expense limitation of \$47,916,000 for the Commodity Credit Corporation. Title IV provides an administrative expense limitation of \$2,590,000 for the Farm Credit Administration and appropriates \$35,000 to the Secretary of the Interior for supplying grain to migratory waterfowl. Permanent appropriations for 1962 are available in the estimated amount of \$397,040,400. (At the end of this Digest is a table of appropriations for fiscal year 1962, including all supplemental appropriations to date, compared with 1960 and 1961).

Items of major significance in the Act for the Department of Agriculture, including amounts of increase and decrease over 1961 are as follows:

AGRICULTURAL RESEARCH SERVICE: \$198,747,500 appropriated, a net decrease of \$5,265,500. Changes include: Salaries and expenses an increase of \$6,078,000 for research (including a \$1,000,000 research contingency fund for pressing research needs of an emergency and continuing nature, and \$2,000,000 for staffing and operating costs of the new National Animal Disease Laboratory at Ames, Iowa); an increase of \$1,382,500 for plant and animal disease and pest control; and an increase of \$1,090,000 for meat inspection activities. Salaries and expenses (special foreign currency program) - \$5,265,000 appropriated, a decrease of \$9,866,000. Construction of facilities - \$800,000 appropriated, a decrease of \$6,950,000. Payments to States - \$35,803,000, appropriated, an increase of \$3,000,000.

EXTENSION SERVICE (principally payments to States): \$70,804,500 appropriated, an increase of \$3,236,500.

SOIL CONSERVATION SERVICE: Conservation operations - \$89,725,000 appropriated (a net increase of \$1,121,000 to provide for staffing of an estimated eighteen new soil conservation districts and to employ conservation aides and other nonprofessional personnel on a part-time or contract basis); Watershed protection - \$53,787,000 appropriated (a net increase of \$17,062,000); Flood prevention - \$25,000,000 appropriated (an increase of \$5,430,000); Great Plains conservation program - \$10,168,000 appropriated (same as 1961).

ECONOMIC RESEARCH SERVICE: Salaries and expenses - \$9,360,000 appropriated, an increase of \$311,000.

STATISTICAL REPORTING SERVICE: Salaries and expenses - \$8,748,000 appropriated, an increase of \$560,000.

AGRICULTURAL MARKETING SERVICE: Marketing research and service - \$38,039,500 appropriated (an increase of \$4,127,400 which includes \$2,813,000 for grading and classing activities formerly financed through Commodity Credit Corporation); Payments to States - \$1,325,000 appropriated (an increase of \$130,000); School lunch program - \$125,000,000 appropriated (an increase of \$15,000,000). The Act also provides that \$45,000,000 (same as 1961) shall be transferred from Section 32 funds for purchase of agricultural commodities for distribution to schools.

FOREIGN AGRICULTURAL SERVICE: Salaries and expenses - \$12,457,000 appropriated (a decrease of \$2,818,300). The Act also authorizes transfer of \$3,117,000 (same as 1961) from Section 32 funds to this appropriation; Salaries and expenses (special foreign currency program) - \$3,444,000 appropriated (an increase of \$1,278,800).

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE: Acreage allotments and marketing quotas - \$44,098,000 appropriated (an increase of \$500,000); Sugar Act program - \$78,000,000 appropriated (an increase of \$3,500,000). Agricultural conservation program - \$238,000,000 appropriated which, together with balances available under the 1959 program, provides the full \$250,000,000 authorized for the 1961 program. The Act also sets the administrative expense limitation at \$29,100,000 and authorizes a \$250,000,000 program for the 1962 crop year. Special agricultural conservation program - \$18,500,000 appropriated (a new appropriation for administrative costs of the conservation portion of the feed-grains program). Conservation reserve program - \$312,000,000 (a decrease of \$18,000,000). Of the amount appropriated, not to exceed \$12,500,000 shall be available for administrative expenses.

FEDERAL CROP INSURANCE CORPORATION: \$6,561,000 appropriated (same as 1961). The Act also provides that not to exceed \$2,830,000 (an increase of \$200,000) of administrative and operating expenses may be paid from premium income.

RURAL ELECTRIFICATION ADMINISTRATION: Loan authorizations - \$307,500,000 consisting of \$175,000,000 for electrification loans (increase of \$75,000,000), and \$132,500,000 for telephone loans (increase

of \$52,500,000). In addition, a \$70,000,000 contingency fund was authorized for the electrification program (increase of \$10,000,000), and a \$30,000,000 contingency fund for the telephone program (decrease of \$30,000,000). Salaries and expenses - \$10,024,000 appropriated (same as 1961).

FARMERS HOME ADMINISTRATION: Loan authorizations - \$280,500,000, consisting of \$40,000,000 for farm ownership loans (an increase of \$13,100,000) \$237,500,000 for farm operating loans (an increase of \$40,400,000) and \$3,000,000 for soil and water conservation (same as 1961). In addition, a \$37,500,000 contingency fund was authorized for farm operating loans in 1962. In 1961, \$5,000,000 of a \$40,000,000 contingency fund was earmarked for farm ownership loans, the remaining \$35,000,000 being available for farm operating loans. Salaries and expenses - \$33,017,000 appropriated (same as 1961).

PUBLIC LAW 87-114 (H. R. 5432) COST-OF-LIVING RETIREMENT INCREASES

(approved July 31, 1961). Makes permanent cost-of-living increases for certain persons receiving annuity under the Civil Service Retirement Act. Public Law 85-465 provided cost-of-living increases in annuities of all retirees and survivor beneficiaries who, on August 1, 1958, were receiving or were entitled to receive annuity based on service which terminated prior to October 1, 1956. The Act also provided for new survivor annuities for certain widows not then entitled to them. These new benefits were on a temporary year-to-year basis, dependent upon yearly congressional appropriation action. These benefits are now payable from the retirement fund without annual appropriation.

PUBLIC LAW 87-120 (H. R. 2249) LAND CONVEYANCE TO TRINITY COUNTY, CALIF.

(approved August 3, 1961). Authorizes the Secretary of Agriculture to convey by quitclaim deed to Trinity County, Calif., approximately one-half acre of a 12-acre tract which was donated to the United States by the county in 1934 as a site for the headquarters of the Weaverville and Trinity Lakes Ranger Districts, Trinity National Forest.

PUBLIC LAW 87-122 (H. R. 6345) DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1962 (approved August 3, 1961). Provides funds for the Department of Interior and related agencies, including the Forest Service.

FOREST SERVICE: This Act provides annual appropriations of \$209,128,000, an increase of \$48,491,500 over fiscal year 1961 excluding the 1961 supplementals of \$31,500,000 for fighting forest fires and \$68,717,000 for purchase of Klamath Indian lands. The increased funds were provided primarily for implementing the "Program for the National Forests." Permanent appropriations are also available in the estimated amount of \$44,969,000, (At the end of this Digest is a table of appropriations including supplementals enacted to date for fiscal years 1960, 1961 and 1962).

Items of major significance contained in P. L. 87-122 for the Forest Service, including changes over 1961, are as follows: Forest protection and utilization \$170,168,000 appropriated (increase of \$41,991,500 as follows: \$31,010,300 increase for forest land management, \$7,590,000 increase for forest research, and \$3,391,200 increase for State and private forestry). The Act provides that of the \$128,000,000 appropriated

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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Issued June 5, 1961
For actions of June 2, 1961
87th-1st, No. 92

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HIGHLIGHTS: House committee reported agricultural appropriation bill. Senate committee reported Interior appropriation bill. Senate debated housing bill. Sen. Symington inserted Secretary's speech to Mo. Cotton Producers Association.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1962. The Appropriations Committee reported (on Fri. during adjournment) this bill, H. R. 7444 (H. Rept. 448). Attached to this digest is a copy of the Committee report, at the end of which is included a summary table reflecting committee action on the bill.)
2. RECLAMATION. The Irrigation and Reclamation Subcommittee of the Interior and Insular Affairs Committee voted to report to the full committee H. R. 2206, with amendment, to authorize the construction, operation, and maintenance of the Fryingpan-Arkansas reclamation project, and H. R. 2552, with amendment, to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project, as participating projects of the Colorado River storage project.
p. D409

SENATE

3. INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1962. The Appropriations Committee reported with amendments this bill, H. R. 6345, which includes items for the Forest Service (S. Rept. 294) (p. 8749). (At the end of this Digest is a table showing the Forest Service items, and excerpts from the committee report.)

4. HOUSING. Continued debate on S. 1922, the omnibus housing bill (pp. 8756-74, 8775-88, 8790-8). Agreed to an amendment by Sen. Yarborough to extend the guaranteed loan program for World War II veterans until July 25, 1967, and for Korean conflict veterans until January 31, 1975, and to increase the maximum amount of a direct loan to a veteran from \$13,500 to \$15,000 (pp. 8775-7).
5. FARM PROGRAM. Sen. Symington inserted Secretary Freeman's speech before the Missouri Cotton Producers Association in which he discussed farm program policies and objectives. pp. 8754
Sen. Dirksen called attention to a recent report on farm prices by this Department, stating that the report indicates prices received by farmers are 2 percent less than they were a year ago, that parity has dropped from 80 to 78 percent, and that corn prices have dropped 6 percent since last year. p. 8751
6. CCC AUDIT. Received from the Comptroller General a report on the audit of the Commodity Credit Corporation for the fiscal year 1960. p. 8748
7. PATENTS. Sen. Wiley inserted a statement by a Wisc. patent attorney discussing patent policy. pp. 8752-3
8. LEGISLATIVE PROGRAM. Sen. Sparkman announced that the Interior appropriation bill will be considered on Tues., followed by further consideration of the housing bill. p. 8798
9. ADJOURNED until Tues., June 6. p. 8798

ITEMS IN APPENDIX

10. FARM PROGRAM. Extension of remarks of Sen. Wiley inserting an article, "One Farmer in Five Likes Corn Program," giving the results of a survey in Wisconsin which showed that only 21% of the farmers polled planned to participate in the feed grain program, whereas 65% planned not to participate. p. A3958
11. COTTON. Extension of remarks of Rep. Smith, Miss., inserting a speech, "Squaring Up to the Issue," which says "the textile industry will not be liquidated legally or illegally without first exhausting its resources to not only preserve itself, but to nurture its strength as an essential part of our national economic and military life ... the inseparable relationship between your agricultural and our industrial interests makes it desirable for us both to fight the conditions which are designed to destroy us both." pp. A3967-9
Extension of remarks of Rep. Jones, Mo., inserting a statement of E. D. Barrett, President of the Missouri Cotton Producers Association, saying "for the first time in several long years we are able to open an annual meeting of the association with optimism and confidence in the future for cotton and cotton farmers. This optimism and confidence stems to a great extent from what we have seen and heard since our new Secretary of Agriculture took office last January." pp. A3971-2
12. HOUSING. Extension of remarks of Rep. Pelly on H. R. 6028, the omnibus housing bill, saying "I hope that during the debate on this bill, the Members will weigh carefully the approval of a multibillion-dollar housing bill which represents the most glaring example of back-door spending from the Treasury that has ever been presented to the House." p. A3970

DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1962

JUNE 2, 1961.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. WHITTEN, from the Committee on Appropriations, submitted the
following

R E P O R T

[To accompany H.R. 7444]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Agriculture and related agencies for the fiscal year 1962. The bill covers estimates contained in the 1962 Budget on pages 141-145, 331-410 and 420, as amended by House Documents 112 and 155.

This bill provides funds for the general operations of the Department, including the Commodity Credit Corporation and various activities such as research, extension, soil and water conservation, loans, crop insurance, and administrative services.

The estimates considered by the Committee include requested appropriations of \$1,409,835,000 for regular activities of the Department for fiscal year 1962; \$1,017,610,000 for restoration of capital impairment of the Commodity Credit Corporation for fiscal year 1960; \$1,951,915,000 for reimbursement to Commodity Credit Corporation for foreign assistance (P.L. 480, International Wheat Agreement, etc.) and other special activities for fiscal year 1961; \$1,709,849,000 to finance Public Law 480 and other foreign assistance programs during fiscal year 1962; and \$35,000 for related agencies.

The bill recommended by the Committee includes \$1,379,006,000 for regular activities for fiscal year 1962; \$1,951,915,000 for reimbursements to CCC for foreign assistance and special programs for fiscal year 1961; \$1,017,610,000 for restoration of CCC capital impairment

for fiscal year 1960; \$1,600,000,000 for foreign assistance programs for fiscal year 1962; and \$35,000 for related agencies.

The bill carries estimated costs for two full years (fiscal years 1961 and 1962) for the foreign assistance and special programs which have heretofore been financed through the Commodity Credit Corporation on a reimbursable basis, pursuant to Congressional directives.

The following table sets forth the budget requests and amounts recommended in the bill, separated to show the fiscal year to which they pertain:

Item	Budget request	Recommended in bill	Increase or decrease
Fiscal year 1960 costs:			
Restoration of CCC capital (price support programs).....	*\$1,017,610,000	\$1,017,610,000	-----
Fiscal year 1961 costs:			
Reimbursement to CCC for foreign assistance and special activities.....	* 1,951,915,000	1,951,915,000	-----
Fiscal year 1962 costs:			
Regular activities.....	1,409,835,000	1,379,006,000	-\$30,829,000
Foreign Assistance Programs (to put on pay-as-you-go basis).....	1,709,849,000	1,600,000,000	-109,849,000
Related Agencies.....	35,000	35,000	-----
Total 1962 costs.....	3,119,719,000	2,979,041,000	-140,678,000
Total in bill.....	6,089,244,000	5,948,566,000	-140,678,000

*Originally requested in Senate Document No. 19 for consideration in connection with 3d Supplemental Appropriation Bill, 1961.

FINANCING THE PRICE SUPPORT PROGRAM

With the enactment of the first farm price support program in 1933. Congress created the Commodity Credit Corporation. At that time it provided the Corporation with capital funds to enable it to make loans, buy and sell commodities, and conduct the normal business activities in connection therewith. These capital funds have been increased from time to time by the Congress to meet the needs of the various price support programs enacted through the years.

Price support is mandatory for the basic commodities and other commodities specifically designated by law. It is imperative, therefore, because of the unpredictable nature of the operations under the various price support programs, that the Commodity Credit Corporation have flexibility in the use of funds and adequate resources available at all times to meet the needs of the price support programs.

The financial ability of the Corporation to take supplies of a commodity off the market in whatever quantity necessary makes the price support program effective in encouraging orderly marketing. It removes the necessity for farmers to rush their crops to market when prices are unfavorable.

If there were doubt of the ability of the Corporation to finance required operations, the price support program would not prove effective in stabilizing prices and markets. Also, the inability of the Corporation to meet its financial obligations would adversely affect the willingness of banks, warehousemen, processors, and others to cooperate in price support operations.

Over the years, Congress has recognized that flexibility in the Corporations' operations is indispensable to the proper conduct of the price support programs for which the Congress established the

Corporation and directed that it be so employed. Such flexibility is not only desirable but absolutely essential to successful operation of these programs.

However, in recent years the ability of the Corporation to fully use its financial resources for its primary purpose of price support has been seriously limited by charging the Corporation with the financing of special activities not originally contemplated to be within its functions.

With the passage of the International Wheat Agreement Act of 1949, the Corporation was called upon to finance this special program, subject to later reimbursement through appropriation action. Then in 1954, with the passage of the Agricultural Trade Development and Assistance Act (Public Law 480), Congress directed the Corporation to finance the overseas exportation of surplus agricultural commodities for foreign currencies and for emergency relief assistance, leaving the Corporation dependent upon reimbursement from subsequent appropriations. The financing of this program has had large amounts of Corporation funds tied up each year.

Further, legislation adopted in 1956 authorized the Corporation to transfer bartered materials acquired in exchange for agricultural commodities to the supplemental stockpile. It further provided for appropriations to reimburse for value of materials so transferred. Also the Special Milk Program, which is now costing about \$90 million a year, is being financed by this Corporation in accord with basic law.

It is expected that by June 30, of this year, the Corporation will have available for price support operations only \$815 million or less. If an unusual volume of price support activities should develop suddenly, or if some new program should be undertaken, this balance would be entirely inadequate to meet the price support demands which would result. In the opinion of a majority of the members of the Committee, it is most unwise to attempt to operate this huge Corporation on this narrow margin, for the law requires price supports—but it prohibits expending funds where the capital assets are exhausted.

To help correct this situation, the 1962 budget proposed funds to reimburse Commodity Credit Corporation for the 1961 fiscal year costs of these various special programs which are not related to price support operations. It also included funds to finance "in advance" the cost of these programs during fiscal year 1962. This is a "doubling-up" of appropriations in the appropriation bill for next year to place these programs on a "pay-as-you-go" basis and to relieve the capital funds of the Corporation of this heavy financial load next year.

The Committee does not feel that these special programs should be allowed to jeopardize the Corporation's ability to carry out its primary functions of price support. Also, the Committee is concerned about the tendency of many people to consider these programs as a part of the price support program and to charge them to American Agriculture. Financing these foreign assistance and special programs through separate appropriations in advance appears advisable for these reasons.

The Committee, therefore, has included funds in the bill for 1962 to accomplish the purposes intended by the budget estimates. It has included in Title II the sum of \$1,600,000,000 to finance the estimated fiscal year 1962 costs of Public Law 480, the International Wheat Agreement, and bartered materials for the supplemental stockpile. In addition, it has included in Title III of the bill the sum of

\$1,951,915,000 to reimburse Commodity Credit Corporation for the 1961 costs of these programs. It is expected that future appropriation bills will carry funds for each ensuing fiscal year, on the same basis as for other programs of the Department.

AGRICULTURE BASIC TO NATION'S ECONOMY

Agriculture is still the most basic factor in our national existence. It is still the provider of the basic necessities of life—food and fiber. All of us must look to our farmers to provide our food, clothing and shelter, without which we cannot exist.

Agriculture is still the mainstay of our economy. It is the principal source of new wealth. It is the main provider of basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates seven dollars of income throughout the rest of our economy.

Agriculture is still our largest industry. Today over 7 million people are employed on our farms and ranches. This is twelve times the number of people in the steel industry. It is nine times the number in the automobile industry, and is twice the number in our transportation and public utility industries combined.

Agriculture is still our largest market for the products of industry. It uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6 million automobiles. It is one of the nation's largest users of electrical power. Its inventory of machinery and equipment exceeds the assets of the steel industry, and is five times that of the automobile industry.

THE EVOLUTION IN AMERICAN AGRICULTURE

Despite its importance, however, fewer and fewer people are actively engaged in farming each year. When this country was young, 90 per cent of the people produced their own food and fibre with the plow and hoe. At present, less than 12 per cent live on the farm. Today, one farm worker grows enough to feed himself and 23 others. On the world's most efficient farms, output per manhour has been increasing some 6 per cent per year—more than twice the rate in industry.

It now takes so few of us to produce the food, clothing and shelter for the rest of us, that the rest of us can provide the highest standard of living ever known for all of us.

American Agriculture, using the latest in seeds, fertilizers, insecticides, machinery and techniques is directly responsible for this high standard of living. To provide this high standard of living however, the farmers of the nation have been required to make large investments in machinery and equipment and to increase substantially their annual costs of production. The modern farmer can lose his entire investment in two years or so under adverse circumstances, due to the large amount of capital required to farm under present conditions.

Because farming efficiency has increased rapidly, food costs during the past 10 years have risen much less than the cost of most other consumer items in the market. Few of the Nation's consumers are aware of the great savings and benefits that have come to them as a

result of Agriculture's contribution to the national welfare. Food is one of today's best bargains.

MANY PROBLEMS FACE AMERICAN AGRICULTURE

Despite the fine progress in agriculture production, the farmers of the nation are still faced with many problems. The cost-price squeeze is becoming more acute each year. The need for adequate economic return to compensate for the high financial risk involved still remains the number one problem of Agriculture.

In addition to this basic problem, the farmer is always faced with the vagaries of weather and the threats to his crops and livestock from insects and diseases. Help for these problems can be provided by the various programs of the Department of Agriculture and the funds provided therefor. In the preparation of the appropriation bill for 1962, the Committee has attempted to give added emphasis to the search for answers to these problems.

THREATS FROM INSECTS AND DISEASES

A former Secretary of Agriculture once pointed out that life is a contest between man and insects. He went on to say that it often appears that the insects are winning the battle. Perhaps the most serious problem facing the agricultural producer today is the ever-increasing threat from diseases and pests of agriculture.

During our hearings this year, the committee received voluminous testimony from Department of Agriculture officials, Members of Congress and representatives of various private organizations concerning this problem. The information received indicates that, despite excellent research results and improved control techniques, the threat from insects and diseases continues to become a greater and greater element of cost to our farmers and consumers.

A review of the hearing records will indicate the many and varied threats to nearly every type of commodity grown in the United States. An example of the problem is the recent invasion of "pear decline" in the major pear producing states of the west coast, where a disease which was first recognized in 1959 is threatening to destroy the entire industry in that area in a very few years.

Tuberculosis, hog cholera, brucellosis, airsacculitis of poultry, fowl typhoid, swine erysipelas, and many other diseases of animals—some of which affect humans—are plaguing the livestock and poultry producers of the country.

Witchweed, nematodes, gypsy moth, boll weevil, Japanese beetle, pink bollworm, European chafer, citrus blackfly, Mexican fruitfly, khapra beetle, sweetpotato weevil and white fringed beetles continue to cost the nation billions of dollars annually in production losses and control costs.

INCREASED INTERNATIONAL TRAFFIC ADDS TO PROBLEM

The threat from insects and diseases is further complicated by the increased speed and volume of travel between all areas of the world. Nearly 5 million more persons entered the United States during fiscal year 1960 than in 1959. The number of planes requiring inspection in 1960 was 140,000, about double the number in 1954. Automobiles

and trucks crossing from Mexico reached 25 million last year, an increase of 10 million over 1955.

The opening of additional ports along the St. Lawrence Seaway and increased nonstop overseas air flights to airports in the interior of the country are also increasing the threat of introduction of new pests from abroad.

A total of 314,367 unauthorized plant materials was intercepted by the foreign quarantine inspections in fiscal year 1960, including 30,230 containing dangerous plant pests. This is an increase of 19.5 percent over the preceding year. The insects intercepted included many of the world's most destructive pests of food, fibre and forestry crops.

It has been estimated by Agricultural experts that the damage to crops by the more than 600 different kinds of major destructive plant insects in the United States amount to nearly \$4 billion each year. Cotton insects account for nearly \$600 million annually, cereal and forage insects account for some \$400 million annually, and stored grain and household insects cause annual damage of over \$1 billion. It is further estimated that annual losses caused by plant diseases total \$2.5 billion, and that livestock losses due to diseases and parasites exceed \$2 billion per year.

If foot-and-mouth disease should become established in this country, it is estimated that annual losses would be in the billions of dollars. It is further predicted that the introduction of fowl pest in this country could virtually eliminate the poultry industry. The introduction of rinderpest would cost the Nation \$1 billion annually.

To fully appreciate the effects of these destructive diseases and pests, it is necessary only to look to other parts of the world where food production is subject to their ravages. In the Middle East, desert locusts have been sweeping the semiarid lands for centuries, leaving ruined crops and starvation in their wake. In Pakistan, severe locust, caterpillar, and cricket outbreaks have caused losses as high as 80 per cent in some areas. It is almost impossible to maintain supplies of grain in storage in India because of the ravages of weevils, bran beetles, and the world's worst pest of stored grain—the khapra beetle.

Stored-grain pests are so bad in tropical areas of the world that the race to eat the grain before insects devour it results in frequent periods of starvation. The people compete with the pests for survival. Their low standard of living thus becomes understandable.

The distribution of cattle in Africa is determined primarily by the presence or absence of the tsetse fly. This is a major reason why an African child, once weaned, may never again taste milk. The cattle tick and the human warble or torsalo fly cause tremendous losses to hides, beef, and milk production in Central and South America. Mortality among calves may be as high as 70 per cent in some of the more heavily infested areas.

A recent report from Argentina indicates that 50,000 calves succumbed in one year's time to screwworm—the same one found in this country. The Argentines have no effective means of dealing with this pest.

IMPORTANCE TO CONSUMER

It is estimated by officials of the Department of Agriculture that failure to meet these increasing insect and disease threats could double the cost and reduce the quality of food to the American consumer in

5 years. It is further estimated that in 10 to 15 years this Nation could be short of essential foods.

Food is an outstanding bargain in the United States today. It is usual for people in most areas of the world to spend one-third to one-half or more of their income for food. United Nations figures for 1958 show the percentage of income spent for food in certain areas as follows: Italy, 46 percent; Japan, 51 percent; Ceylon, 57 percent; Nigeria, 71 percent. In the United States, food costs take 20 percent or less of the disposable income.

American consumers also enjoy the greatest variety and the finest quality of food available anywhere in the world. Further, such food is the most wholesome and healthful in the world.

In the Middle East, it is common to find insect larvae in the fresh fruit placed on tables in the best hotels. The average consumer in America wouldn't consider buying the rusty, scrubby, pitted fruit offered in the public markets of that area.

American agriculture has made many contributions to human health and well-being, in addition to providing wholesome foods for the family table. Agricultural scientists developed commercial methods of making penicillin. They also produced dextran, a blood plasma substitute, a starch sponge for medical and surgical use, and dicoumerol, a blood thinner of great medical significance.

Through its research in the field of human nutrition, the Department of Agriculture is developing very significant information on the health aspects of fats in our diets, fat metabolism, and cholesterol in the blood.

AGRICULTURAL RESEARCH PROGRAMS

The Department of Agriculture began as a research institution. From 1862 until the turn of the century, nearly three-fourths of all its funds were spent for this purpose. Research continues today as an important part of its activities.

One of the moving forces behind the amazing evolution in American Agriculture has been our progress in agricultural science and technology. Many of these advances have begun with the agricultural research carried on cooperatively by the Department of Agriculture and the State experiment stations, supplemented by industrial research.

The Committee has supported the research programs of the Department. It has provided funds each year as fully as could be justified within the financial limits of the Federal Treasury. Funds provided for such research through the years have proved to be a sound investment. It is estimated by agricultural experts that, if farmers today were still using the practices of only 20 years ago, it would cost an additional \$13 billion a year to produce our food and fibre. The additional annual food bill to the American consumer would be much larger.

One of the major problems of the research programs of the Department is to keep ahead of research needs. The research programs must anticipate future problems and devise ways to solve them before they emerge. Much of the research being done today will not begin to influence agriculture for another 10 to 15 years. Research administrators must foresee what future conditions will be—judging from present information—and develop answers that will be needed in the future.

This is particularly true for the diseases and pests of livestock and crops discussed earlier in this report. For example, the Department is conducting research overseas on African swine fever, which has recently swept out of Africa into other areas of the world. This work is insurance for our hog producers, should the disease appear in this country.

Similarly, the Department went abroad recently to study hoja blanca, because its appearance in tropical American areas posed a real threat to rice production in the United States.

The Department was well prepared for the Mediterranean fruit fly when it invaded Florida in 1956 and threatened the Nation's fruit industry. Eight years of work in California and Hawaii had produced a great deal of basic information as well as attractants and sprays that helped eradicate this pest within a year and a half.

CONTINGENCY RESEARCH FUND

To meet the needs of Agriculture, the Department must be in a position to take effective research action at once when a serious problem arises. It should have a source of funds from which to draw immediately, without having to negotiate a transfer of funds from other work.

For instance, the spotted alfalfa aphid invaded the Southwest in 1954 and spread throughout the Western States in the next 2 or 3 years. The Department shifted about \$40,000 from other work to develop chemical controls, look for parasites and predators, and develop resistant varieties. An adequate contingency fund would have enabled the scientists to save at least a year in the period required for eradication—at a time when the spotted alfalfa aphid was costing growers \$30 to \$40 million annually.

Another invader has been the face fly, which came into New England from Canada some years ago. Suddenly, in 1959, it threatened to become a serious menace to our livestock. Again, the emergency was met by shifting \$30,000 to \$40,000 from other programs. This worrisome pest has now spread across the country as far west as Nebraska. Department entomologists feel that they lost valuable time in bringing this threat under control due to the lack of a contingency fund from which to draw.

To enable the Department to move in on such problems quickly, the Committee has established for the first time a contingency research fund of \$1,000,000 for fiscal year 1962. The fund will be available to the Administrator of the Agricultural Research Service to expedite work on research problems and to meet special research needs as they arise.

Such a fund will also be available to give increased emphasis to some of the many special problems presented to the Committee by Members of Congress and other witnesses this year, including basic research on wheat and grains, research on the improved digestibility of dry edible beans, barley and malt research, research on pear decline, forage and range research, soybean research, poultry research—particularly with reference to airsacculitis—soil and water conservation research, and others. In many of these areas, the work might best be done through contracts with qualified research institutions.

ADDITIONAL SPECIAL REQUESTS

As in previous years, many persons appeared before the Committee in support of additional funds for various projects, many of which were not included in the 1962 budget. Several hundred witnesses presented requests for additions to the budget totaling about \$500 million.

Proponents of many of these programs offered sound and persuasive evidence to support their requests. However, the Committee is faced with a larger than usual budget this year. It is also faced with the fact that two Presidents have considered and approved the present budget. This makes it virtually impossible to add funds for all of these many proposals.

In most cases, the proposed research projects are what the Committee had hoped the Advisory Committees would urge the Department to undertake by shifts in emphasis within present funds. The Committee is somewhat disappointed that the Advisory Committee system has not been more effective in screening these proposals and in getting the Department, to the greatest extent possible, to transfer personnel and shift its facilities to meet these urgent problems.

The Committee has called on the specialists of the Department to review these many special requests and give them careful consideration. In most cases, it appears that further detailed findings by the Department are necessary and further consideration should be given to them in the preparation of future budgets.

Further, some of the more urgent research needs presented to the Committee should be given consideration by the Research Administrator in the allocation of the contingency research fund discussed above, where a shift of emphasis will not meet the need fully.

SOIL AND WATER CONSERVATION

Remarkable progress has been made in soil and water conservation in the United States in the last 25 years, but the biggest part of the job still lies ahead. The United States continues to suffer heavy soil erosion losses. Some 120 million acres are being endangered seriously. Only about a third of our land is safeguarded adequately.

More than half the estimated \$1.2 billion average annual floodwater and sediment damage in the United States occurs on the headwater streams and small tributaries. And sediment causes costly damage to the Nation's 10,000 major water storage reservoirs. *The amount of erosion-produced sediment dredged annually from our rivers and harbors exceeds the volume of earth dug for the Panama Canal.*

Increased farm production resulting from tremendous advances in science and technology, and surpluses of some farm crops, tends to obscure the fact that, to meet food and fiber needs of 15 years hence, this country will need the production equivalent of over 200 million more acres, based on current yields. Since we do not have 200 million more acres of cropland, this production must come largely from increased yields on existing cropland. This is in the face of continuing annual losses of some 400,000 acres of cropland because of erosion, and three times that amount each year through conversion of good farming land to urban and industrial uses.

Nearly one-fourth of the people of the Nation face problems of water shortage, poor water, or both. The rate of water use predicted for 1980 is nearly twice what it was in 1955.

Since three-fourths of our land area is in private ownership and 60 percent is in farms and ranches, it follows that our farmers and ranchers are the principal managers of the Nation's soil and water resources for all the people. How our farmers and ranchers manage the lands under their stewardship for the benefit of us all determines whether we shall have soil conservation or soil erosion, whether we shall have the right quality and quantity of water or poor water and not enough of it, not only for agriculture but for cities and industry.

It is essential that we recognize the national scope of the problem and put forth extra effort on programs that will conserve and most effectively utilize the soil and water resources of our country. It is imperative that we intensify our national programs to protect and improve our soil and water resources.

In his special message on natural resources presented on February 23, 1961, the President again emphasized the importance of our soil and water resources to the future of this Nation. The majority of the members of the Committee agree with this belief and feel that adequate funds must be provided for all programs which contribute to soil and water conservation, including the Soil Conservation Service, conservation research, watershed protection and flood prevention, and the Agricultural Conservation Program.

AGRICULTURAL CONSERVATION PROGRAM

Through the years, the Agricultural Conservation Program has been the Federal Government's principal economic stimulus to farmers and ranchers to voluntarily apply needed conservation measures. It is used in all agricultural counties in the 50 States, Puerto Rico and the Virgin Islands. Conservation practices were carried out under this program in 1959 on over a million farms and ranches, covering 388 million acres.

This program has served the Nation well for a quarter of a century. It has helped to meet the public responsibility for protecting and conserving the soil, water and woodland resources of the Nation. The accomplishments of this program have been significant. From 1936 through 1959, stripcropping has been established on over 104 million acres of cropland, and contour farming has been installed on over 138 million acres. Nearly 25 million acres have been terraced and 762 million acres of vegetative cover have been installed. Over 1.6 million storage dams and reservoirs of various types and sizes have been built, and over 38 million acres have been drained for conservation purposes.

During this period, this program has stimulated twice as much economic activity as the amount of Federal funds spent, since the farmer puts up about half the cost of the practices, plus his labor. The per capita annual cost is about \$1.40, and the investment per acre of farmland is 54 cents.

This Committee has opposed efforts through the years to cripple this vital program. Nearly every year, it has had to fight efforts to reduce the program below the traditional level of \$250 million per year. Since 1953, it has had to restore proposed budget cuts in all but 3 years.

In view of the importance of this program to our broad national efforts in the soil and water conservation field, the Committee recommends the continuation of the \$250 million program authorization for the coming year. The majority of the members feel strongly that any reduction below this level will seriously impair future conservation programs throughout all areas of the country.

WATERSHED PROTECTION AND FLOOD PREVENTION

Flood prevention work on the 11 original watersheds was initiated by the Flood Control Act of 1944. Work has been in process under the supervision of the Department since that time. This Committee has frequently provided more funds than requested for this purpose and has consistently urged the Department to speed up construction to prevent continued loss of soil and water and to save money in view of steadily increasing construction costs.

Recognizing the value of this upstream watershed approach to our conservation efforts, and realizing the need for such work throughout the entire United States, the Committee initiated the watershed protection program in 1954 by adding \$5 million not requested in the budget to initiate conservation work on about 60 pilot demonstration projects in various areas of the country. This program was so well received and proved so successful that Public Law 566 was adopted the following year to establish a permanent upstream watershed program on a Nationwide basis.

Funds for this watershed protection program have grown rapidly in view of its great acceptance and the large local demand for Federal assistance. This appropriation has grown from the original \$5 million in 1954 to \$36.8 million in 1961 and to a recommended \$53,787,000 for 1962.

The Committee has actively supported this program and the appropriation increases needed. It has included in the bill for 1962 the full increase of \$9,562,000 recommended by President Eisenhower which was further increased to \$17,062,000 by President Kennedy. It recognizes that only 650 of the 1400 communities which have applied for watershed planning have received Federal help to date. It is estimated that more than 8,000 small watersheds need the type of conservation assistance provided by this program.

The Committee also recognizes the urgent need to accelerate the work on the 11 major watersheds initiated in 1944. At that time, it was estimated that these projects would be completed in 15 years. In 1961, some 17 years later, the work on these projects is estimated to be only 33.4 percent complete. On one of the major watersheds the work is only 17.5 percent complete.

Testimony presented to the Committee indicates that the local sponsors of these projects are anxious to move ahead at a much faster rate. In some cases, delays in obtaining local easements and funds have been overcome and the local organizations are fully equipped to proceed.

There is an urgent need to move ahead at a faster rate. In view of the evidence that local interests are prepared to proceed more rapidly, the Committee has increased the funds in this bill for the 11 major watersheds to \$25 million, an increase of \$5,537,000 over

the budget. This should permit work in these watersheds to proceed at the same accelerated rate as the new budget has provided for watershed protection work in the rest of the country.

TITLE I—REGULAR ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

The Agricultural Research Service conducts the production and utilization research of the Department (except forestry and economic research), and the inspection, disease and pest control, and eradication work associated with this research.

Research.—The Committee recommends \$76,558,000 for the research programs of this agency during fiscal year 1962, which is \$616,000 less than the budget estimates. The increase of \$5,325,000 over funds appropriated for 1961 includes \$2,000,000 for staffing the new Animal Disease Laboratory which will be ready for operation about July 1, 1961; \$935,000 for staffing other research laboratories constructed with funds included in previous bills and now ready for operation; \$250,000 for staffing the North Central hydrology research watershed at Columbia, Missouri; \$205,000 to expand and strengthen research on tobacco quality and production; \$60,000 to intensify research on pear decline and other rootstock problems; \$600,000 for utilization research on fibers, fruits and vegetables, oilseeds, cereal and forage crops, and new and special plants; \$275,000 for research on human nutrition; and \$1,000,000 for the contingency fund for research discussed earlier in this report.

The Committee has provided what it considers to be adequate funds for staffing the new Ames Laboratory. Based on prior experience and the inevitable delays in getting a new facility in operation, and the difficulties of recruiting additional staff, it is unlikely that the full funds requested will be required for the first year.

In the implementation of research projects at the new Ames Laboratory, the Department is urged to give special attention to the airsacculitis disease of chickens and turkeys. The Committee has received considerable testimony as to the seriousness of this problem to the poultry producers of the Nation. The statistics on condemnations by the poultry inspection service of the Department due to this disease are alarming. It is understood that the Department is now spending nearly \$300,000 for research on this problem and expects to increase the funds for fiscal year 1962. It is recommended that, of the funds provided in this bill for fiscal year 1962, a minimum of \$387,800 be used for this work. If additional funds for this purpose should become necessary, the new contingency research fund could be used to meet the need.

The additional \$935,000 for staffing new laboratories covers staffing and first year operating costs of the cotton insect research laboratory at Mississippi State University and the two grain insect research facilities at Brookings, South Dakota and Tifton, Georgia. Of this amount, \$50,000 should be used to restore the original level of operation at the conservation research laboratory at Morris, Minnesota, which was curtailed to provide \$25,000 each for two subsidiary research facilities at Madison, South Dakota, and Crookston, Minnesota.

The purpose of the North Central Hydrology Research watershed is to gain basic information on precipitation-runoff relationships, sedimentation, and channel stability in one of the most highly developed agricultural areas in the United States. The area, over 110 million acres in extent, includes large portions of the Central clay pan and the Iowa-Minnesota Till Plain as well as an extensive portion of the Upper Mississippi Loess drift and the Missouri Valley deep loess soils. These areas are under intensive land use, ranging between 60 and 80 percent in cultivation and grassland. An additional \$250,000 is provided for this project.

Tobacco production requires a greater amount of labor per dollar value to the grower than any other field crop. The need to mechanize is great, but the end product of mechanized production must be of high quality to meet the specific demands of discriminating consumers. Variations in quality brought about by changed production and handling practices, or by the use of filters and reconstituted tobacco, affect both domestic and export markets. Research is urgently needed on the labor saving and cost reducing potentialities of mechanization and on improved cultural and management practices. The committee recommends the budget increase of \$205,000 for this purpose.

One of the most urgent needs for additional research results from the recent appearance of pear decline in the Nation's pear producing areas on the west coast. This disease has spread alarmingly in the commercial pear growing areas of Washington, Oregon, and California. It threatens to destroy a very substantial portion of the pear trees in these three States which produce 87 percent of the commercial crop of quality pears. Affected trees fail to make normal growth, do not set or mature normal fruit, and become progressively weaker until they die. Slow development of the disorder causes death of the tree in one or two years, but, in many cases, vigorous and apparently healthy trees may develop quick wilting and die within a week. The Committee has included the budget increase of \$60,000 for the study of this and other root stock problems. This will make about \$100,000 available for fiscal year 1962. If additional amounts become necessary during the year, the use of funds in the contingency research fund might be considered by the Research Administrator.

The additional \$600,000 for utilization research will assist the Department to serve the farmer by finding new and larger uses for his products, just as industrial utilization research serves the chemical industries. If the farmer's traditional markets are to be protected and if he is to share in large future markets, agricultural utilization research must be as vigorous and progressive as that of its competitors.

With the additional \$275,000 provided for human nutrition research, it is expected that work will be expanded on the biological value of food, on fats differing in fatty acid composition, on foods important for protein, such as meats and dairy products, and on selected foods important for other nutrients, such as cereals and certain vegetables. Research is needed to determine the range in levels of consumption of these products that will yield the greatest nutritional effect without risking imbalances in metabolism and to determine and evaluate food consumption patterns of individuals in different

population groups. Findings of the Department in this area are used widely by medical and health agencies.

The many and varied problems of agriculture, as well as many consumer problems relative to food and home economics, continue to increase the need for additional research beyond the funds that can be provided to meet them. Year after year, the research budgets of the Department increase. And each year, the Committee is approached by many individuals and groups requesting additional funds for special research projects in nearly every phase of Agriculture. As pointed out earlier in this report, nearly 200 persons not connected with the Department appeared before the Committee this year, most of them proposing new and additional research projects.

Since the financial limitations under which the budget is prepared and approved are so stringent, it appears necessary that some new approach to this problem be found. The Department is directed, therefore, to make a thorough review during the coming year of research by private organizations, state experiment stations, and agencies of the Department to determine: (1) The importance of research now being conducted as compared to the additional research needs which have not yet been met; and (2) How more of these additional research needs can be met on a cooperative basis with the many private research agencies in the field of agriculture. A full report by the Research Administrator should be submitted to the Committee in connection with its review of the fiscal year 1963 budget.

Further, unavailability of labor for farming operations has greatly increased the need for additional research on mechanization of practices and procedures which can be adapted by virtue of size and cost to smaller farms. Such problems as weed control, pest control, cultivation, and harvesting, all of which require labor which is not available, should have special attention.

The Department is also requested to make a careful re-evaluation of the priority position of the facility proposed to study soil-water-plant relationships. There seems to be considerable interest in locating this facility at Cornell University, because of the many advantages this institution has to offer. The Committee believes the same review should be made of the mechanics of erosion laboratory in which many representatives from North Carolina have expressed deep interest.

Plant and animal disease and pest control.—The sum of \$55,165,000 is recommended for the coming fiscal year, an increase of \$1,195,000 over fiscal year 1961 and a decrease of \$225,000 in the budget estimate. The amount proposed includes increases of \$450,000 to staff the control and regulatory activities at the new Ames Laboratory, \$400,000 for additional plant quarantine inspectors, and \$345,000 to meet mandatory salary increases due to a recent reclassification of all veterinarians in the regulatory, control and inspection programs of the Department.

The increase of \$400,000 for plant quarantine work will permit the employment of 35 additional inspectors to strengthen staffs at existing ports-of-entry and to staff new ports-of-entry where traffic volume requires full-time inspection personnel. Nearly 5 million more persons entered the United States during fiscal year 1960 than in 1959. This is 27.4 million more than in 1956. The number of airplanes, ships, and automobiles entering the country has increased substantially. This growing volume of foreign traffic means that new ports-of-entry

must be opened, and that established ports must enlarge their facilities to take care of increased traffic. Further, the opening of the St. Lawrence Seaway, and increased nonstop overseas airflights into the interior of the United States has increased the inspection load. Many destructive pests and diseases, such as the Mediterranean fruit fly, oriental fruit fly, khapra beetle, citrus canker, and others, formerly established in limited areas of the world, are now spreading among other countries as international traffic increases—thus adding to potential sources of entry into the United States.

In the fall of 1960, the Civil Service Commission began a study of veterinary positions in the Department in view of the increasing responsibilities and educational requirements of this type of work. As a result of this study, the Commission is preparing to issue revised standards which will result in the upgrading of about 60 percent of the people involved. It is mandatory that the Department pay the additional salary costs required. An increase of \$345,000 is included in this paragraph of the bill for this purpose.

The committee believes that a more effective and economical program for the control and eradication of brucellosis and tuberculosis of cattle could be conducted by closer coordination of the two programs. It is recommended, therefore, that the Department combine the personnel and facilities of these two activities into a single operation. It is further recommended that the funds for the two programs be handled as a single item in order to provide flexibility in handling personnel assignments.

Meat inspection.—The bill includes \$24,216,000 for this activity for fiscal year 1962. This is an increase of \$1,090,000 over funds for 1961. The increase provides \$675,000 for the employment of 108 additional meat inspectors to meet increased workloads. It also includes \$415,000 to meet mandatory salary increases due to reclassifications, as discussed under the preceding heading.

The most important factor in the inspection workload increase is the evergrowing number of establishments requiring Federal inspection, as well as the number of cities and towns in which they are located. Since 1959 the number of cities and towns has increased from 546 to 624 (14.3 percent) and the number of meatpacking establishments has increased from 1,334 to 1,484 (11.2 percent).

Foreign currency program.—The Committee recommends the budget estimate of \$5,265,000 for fiscal year 1962, a decrease of \$9,866,000 below 1960 appropriations. This amount will permit continuation of essential overseas research in those countries where foreign currencies generated under Public Law 480 are excess to normal U.S. requirements.

The program includes research in the fields of crop production and diseases, human nutrition, marketing and forestry. This research supplements the work done under the regular research programs of the Department, using foreign currencies generated abroad through Public Law 480. Since these currencies generally must be spent in the countries in which earned, this appears to be a productive use for them.

Construction of facilities.—The sum of \$800,000 is included in this portion of the bill for 1962, a reduction of \$6,950,000 below funds for 1961 and an increase of \$250,000 in the budget. The amount recommended includes \$425,000 for the construction of a facility for research

on biological control of insects through use of parasites, predators and diseases as a mean of avoiding residues and other hazards.

This item also includes \$375,000 for a soil and water conservation research laboratory at Florence, South Carolina to conduct research on soil and water resource problems in the upper and Middle Coastal Plains of the Mid-Atlantic States, an area characterized by a flat to rolling topography. The 30 million acres of the Coastal Plain soils constitute a major agricultural area. The soils are highly susceptible to surface crusting and compaction, conditions which limit infiltration and movement of water through the soil. These problems also influence surface runoff and erosion, reduce irrigation efficiency and affect the efficiency of ground water recharge.

State experiment stations.—An appropriation of \$34,803,000 is provided for grants to State experiment stations for fiscal year 1962. This includes \$34,553,000 for payments to States and \$250,000 for penalty mail costs. The increase of \$2,000,000 will provide funds to pay salary increases where needed and to expand the research programs of the State institutions. The Committee is informed that a major portion of this increase will be used for increased salaries to compete with those paid in similar organizations.

The Committee believes in this program and has consistently supported adequate funds for this purpose. It recognizes that there are many problems which differ from one State to another, that can be solved only through research findings of these local institutions. It agrees that funds must be provided to continue the research programs of each of these facilities to meet this need.

At the same time, however, it is aware that many of our most pressing problems are national in scope, requiring a more centralized approach to their solution. The regional research program of this organization has provided a logical and effective approach to this matter. However, there is still a great need for further centralization of research work where an urgent area-wide or nation-wide problem arises. The Committee recommends that the Department give further study to the most effective means of (1) preventing duplication in research efforts and (2) centralizing research activities to bring about the most satisfactory research results where required on a broad basis.

EXTENSION SERVICE

The cooperative agricultural extension work of the Department aids in making available to the people of the United States useful and practical information on subjects relating to agriculture and home economics and encourages the use of such information. The work is carried on by incorporating research results, technological advancements, and other facts of the Department, the agricultural colleges, and the experiment stations into a national educational program to provide the means by which people can solve their farm, home, marketing and related problems. The Extension Service is financed from Federal, State, county and local sources, and the use of funds provided is under the control of the States. The funds are used within the States for employment of State specialists, county agents, home demonstration agents, 4-H Club agents, and others who conduct among rural people joint educational programs adapted to local problems and conditions.

Payments to States and Puerto Rico.—The sum of \$58,790,000 has been included in the bill for 1962 for this purpose, an increase of \$2,212,000 over funds provided for fiscal year 1961.

This increase provides additional funds to strengthen State and County extension work and to expand marketing educational work designed to assist farmers, consumers and marketing firms to adjust to the changes taking place in the entire marketing process.

As discussed in the preceding paragraph, the need to maintain competitive salary levels is also a problem for this organization. It is expected that much of the increase for this program will be used for salary increases for county extension agents and home demonstration workers, where essential to maintain salaries at competitive levels.

Retirement costs for extension agents.—The bill includes \$6,260,000 for the coming year, an increase of \$299,000 over 1961. The additional funds are required to cover the Federal share of retirement costs for the increased funds allowed for county personnel.

Penalty mail.—The Committee recommends \$2,490,000 for penalty mail costs of state extension directors and county extension workers, as authorized by law. This is the budget estimate and the amount provided for 1961.

Federal Extension Service.—The Federal Extension Service provides for leadership counsel and assistance to the 50 states and Puerto Rico. As of November 30, 1960, there were 244 employees in this organization, 237 of whom were stationed in Washington.

An appropriation of \$2,452,000 is proposed for fiscal year 1962, a reduction of \$48,000 in the budget estimate. The increase of \$50,000 over fiscal year 1961 will permit the employment of several new specialists in the Washington office to provide leadership in rural development, community development, agricultural chemicals, and related subjects. The complexities of modern-day agriculture make further specialized leadership of this type necessary.

FARMER COOPERATIVE SERVICE

This Service conducts research, advisory and educational work with cooperatives on problems of organization, financing, management policies, merchandising, costs, efficiency, and membership, to help farmers who are members of such organizations improve the operations of their businesses. It cooperates with the Extension Service, land-grant colleges, banks for cooperatives, State departments of agriculture, and other agencies to bring about better understanding and application of sound cooperative principles and practices. The Service also advises other Federal agencies on problems relating to agricultural cooperatives.

The Service carries on its work through three program divisions—Marketing, Purchasing and Management Services. On November 30, 1960, the Service had 109 employees, all stationed in Washington.

The sum of \$657,000 is recommended for the coming fiscal year. This is the full budget estimate, which is a continuation of the 1961 level of operation.

SOIL CONSERVATION SERVICE

The Soil Conservation Service assists soil conservation districts and other cooperators in bringing about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce damage by floods and sedimentation. The Service also develops and carries out special drainage, irrigation, flood prevention, and watershed protection activities in cooperation with soil conservation districts, watershed groups, and other Federal and State agencies having related responsibilities.

Conservation operations.—During the current fiscal year, soil conservation assistance has been provided for 20 new districts which have come into existence. It is expected that an additional 18 districts will be organized in fiscal year 1962, which will bring the total to 2,905 districts by June 30, 1962.

The Committee recommends the full budget estimate of \$89,725,000 for the coming year, an increase of \$1,121,000 over the 1961 appropriation. This amount will provide an additional \$496,000 to staff the 18 new districts expected to be organized next year. It also includes \$25,000 for additional space needed at field locations.

Last year's bill authorized the Department to carry forward \$600,000 of unused 1960 funds to employ conservation aides and other nonprofessional personnel on a part-time or contract basis to meet the increasing work load of this organization. The pending bill includes a direct appropriation of \$600,000, in lieu of the carryover provision in last year's bill, to continue this arrangement in 1962.

Watershed protection and flood prevention.—For watershed protection, the bill carries an appropriation for 1962 of \$53,787,000—the full budget estimate. This is an increase of \$17,062,000 over the appropriation for fiscal year 1961. However, when the carryover of over \$5 million from 1960 into 1961 is considered, the actual increase is about \$12 million.

The amount recommended includes \$5,500,000 for investigations and planning, an increase of \$296,000 over 1961. The Committee agrees, however, that an additional \$1,000,000 of the increase for watershed improvements may be made available for further planning parties, if found necessary during the year.

As discussed earlier in this report, the need for this program and the demand from localities for participation are growing at a tremendous rate each year. Additional applications are being received at almost twice the rate that work plans are being completed. The backlog of unserved applications on hand amounts to about 4½ years' work at the present level of planning assistance.

It is estimated that there will be 338 P. L. 566 watershed projects at the beginning of the fiscal year 1962 in which works of improvement will be in process of installation. About 158 of these will be receiving advance engineering and technical assistance only, which is a prerequisite before the projects can be advanced to the construction stage. An estimated 80 are expected to be advanced to the construction stage during 1962 and about 100 additional projects will be approved for advanced engineering and technical assistance.

The same type of watershed treatment in certain important areas of the nation is carried out under the Flood Prevention Program,

authorized by the Flood Control Act of 1944. For this work in these 11 major watersheds during fiscal year 1962, the Committee has included an appropriation of \$25,000,000 in the bill. This is an increase of \$5,430,000 over the 1961 appropriation, which will enable the Department to speed up works of improvement in these areas in line with the rate requested by the President's Budget for other regions.

As pointed out earlier in this report, the work on these 11 major watersheds is lagging far behind the program envisioned when this program was initiated in 1944. At that time, it was estimated that these projects would be completed in 15 years. It is now 17 years later and the overall program is only about 33 percent complete. It was also pointed out earlier that information given to the Committee shows that the local sponsors of these projects are now able to proceed at a much faster rate than funds have been made available heretofore, which indicates the need for additional funds to finance the Federal portion of the projects at an accelerated rate.

Great Plains conservation program.—The bill includes the full budget estimate of \$10,168,000 for fiscal year 1962. This will permit the continuation of the program at the 1961 level of operation.

ECONOMIC RESEARCH SERVICE

The Economic Research Service has been assigned general responsibility for research on economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming and farm finance; and analyses of supply and demand for farm products in foreign countries and their effect on U.S. exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies. These functions, together with funds and personnel, have been transferred to this new unit recently from the Agricultural Marketing Service, the Agricultural Research Service, and the Foreign Agricultural Service.

The bill carries an appropriation for this organizational unit of \$9,049,000 for fiscal year 1962, a reduction of \$484,000 in the budget estimate. The Committee has held this recently organized service to the 1961 level of operation, feeling that it should complete its realignment of functions and reevaluation of activities and financial needs within present limits of funds.

STATISTICAL REPORTING SERVICE

The Statistical Reporting Service has been assigned general responsibilities for statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys. These functions, together with personnel and funds, were transferred from the Agricultural Marketing Service on April 3, 1961.

The Committee recommends an appropriation of \$8,688,000 for the coming year, a reduction of \$34,000 in the budget estimate. The increase of \$500,000 over 1961 is provided to extend to additional

states and commodities basic improvements in the crop and livestock estimates program. This is the second years' installment of a 3 or 4 year program to modernize this service and improve the accuracy of these estimates. The Committee feels that this modernization effort should continue.

In developing these improvements, consideration should be given to the advisability of establishing objective crop estimates of grapes and lemons in cooperation with the State of California. The need for more frequent reports on inventories of potatoes and other commodities should also be given further review.

AGRICULTURAL MARKETING SERVICE

The Agricultural Marketing Service aids in advancing the orderly and efficient marketing and the effective distribution of products from the Nation's farms. The domestic marketing and distribution functions of the Department are centered in this Service. The functions of the Service include the following: marketing research; market news services; inspection, grading, classing, and standardization of farm products; freight rate services; regulatory activities; cooperative programs in marketing; the School Lunch Program; removal of surplus agricultural commodities; and marketing agreements and orders.

Marketing research and service.—An appropriation of \$37,702,000 is recommended for 1962, including \$4,515,000 for marketing research and \$33,187,000 for marketing services. The amounts proposed are \$108,000 less than the budget estimate and are \$3,789,900 over the 1961 appropriation.

The increase of \$297,800 for marketing research is provided for marketing research at Clemson, South Carolina, to improve the spinning, weaving, and finishing qualities of cotton. This work was started in 1961 with Commodity Credit Corporation funds. It is proposed to carry this work forward and expand it slightly in 1962 from funds included in this appropriation item.

Increasing mechanization in cotton production and harvesting methods and in drying and cleaning cotton during ginning appears to have resulted in serious problems in the spinning, weaving, and finishing qualities of cotton. These problems are being reported by domestic and foreign users of American cotton to such an extent that it is of mounting concern to the cotton industry. More data is needed to determine what processes and practices damage cotton fibre and to develop corrective measures.

The increase for marketing services provides \$59,000 for additions to the leased wire service for the market news service, \$75,100 for more effective administration of the Packers and Stockyards Act, \$25,000 for the rental of additional space needed for the various activities of this agency, \$500,000 to meet salary increases due to the reclassification of poultry inspectors—along with other veterinarians as discussed earlier—and \$20,000 for a special study of the possibility of coordinating weather reports and market news service broadcasts.

The funds recommended also include \$2,813,000 for grading and classing activities of this organization. Heretofore, these functions have been financed on a reimbursable basis through Commodity

Credit Corporation. Inclusion of these funds for 1962 as part of marketing services is part of the general proposal discussed at the beginning of this report to provide separate funds in advance for these various special programs.

The addition to the leased wire service of new commodity reporting locations over the past several years has overtaxed the facilities available. To meet the need, equipment changes have been made on several of the circuits. Speed of transmission has been increased on two circuits, while certain circuits have been split. Other mechanical changes have been made wherever possible to ease the traffic congestion. Increased speed is now urgently needed on the livestock circuit. Traffic, particularly between eastern and western circuits, has increased sharply in recent years. The Committee has provided an additional \$59,000 to meet this need.

The increase of \$75,100 for enforcement of the Packers and Stockyards Act is provided to meet the additional number of stockyards and plants coming into the program. As of September 20, 1960, there were 2,163 stockyards posted under the Act. This brings virtually all known eligible yards under the jurisdiction of the Department. The number of packers under supervision is expected to increase to 3,000 in 1962—approximately 1½ times the number in 1958.

Several years ago, the Appropriations Committee provided for the establishment of a special weather reporting and forecasting system in the Mississippi Delta to disseminate weather information in a manner best suited for agricultural purposes. This project has proved very valuable and we now consider this a permanent installation. It is estimated that the savings to the farmers of the area due to better weather information exceeded \$1,000,000 last year. The Committee has urged that this Service be extended to adjacent areas. It believes that the same type of service would also be valuable to certain other areas of the country. Such service is now provided by the Weather Bureau under the Department of Commerce.

The Committee recommends that both the Department of Agriculture and the Weather Bureau make a survey of the need for this type of weather information in other sections of the United States. It is believed that if the Weather Bureau would provide such information where needed, the Department of Agriculture could assist greatly in its dissemination. The Department now has an extensive network for market news reporting purposes which should be coordinated with Weather Bureau facilities more closely to provide more detailed weather information and weather forecasts. The sum of \$20,000 has been included in the bill for 1962 to enable the Department to make a full study of this matter in cooperation with the Weather Bureau.

The Department should also consider the feasibility of including market news information on other commodities not now covered, where they are of sufficient importance. The need for additional information on truck unloadings of fruits and vegetables should also be given further review in this connection.

Payments to States and possessions.—The sum of \$1,400,000 is provided for fiscal year 1962 for this purpose, an increase of \$205,000 over 1961 and the budget estimate for 1962. This increase is provided to meet an urgent need for improving agricultural market facilities at a number of major cities and to enable some States to participate to a larger extent. Since a large part of the retail cost of food is

incurred after agricultural commodities reach the market place, these improvements should be of real benefit to the consumers of the Nation.

As a result of recent legislation, urban redevelopment programs are expanding and moving forward in many places. Usually the antiquated market areas in the major cities are directly involved in such redevelopment plans. As a result, many cities are now seeking Federal assistance in planning the relocation of their large wholesale and retail markets. Requests have been received from many places including Boston, Chicago, Oakland, San Diego, Huntington, Jersey City and Miami.

The committee believes the Department might well proceed with the city of Boston, which is now undertaking plans to redevelop the blighted areas of the city. In some of these areas are located the market facilities used by wholesalers, processors and storers of fruits and vegetables and other food products. Federal assistance at this time to help in the planning and location of the new markets could be exceedingly valuable to all concerned. Plans for additional cities should be considered in preparing the budget for next year.

Also several States which have not been participating in this program in the past are now ready to provide the matching funds and enter into this cooperative marketing improvement program with the Department. States such as Missouri, which have had only a nominal program, now have funds in hand and are ready to proceed on a much larger basis as soon as Federal funds are available.

School lunch program.—The Committee recommends \$125,000,000 for fiscal year 1962. This is an increase of \$15,000,000 over the 1961 appropriation and is \$5,000,000 over the 1962 budget request. In addition, the bill provides for the transfer of \$45,000,000 from Section 32 funds to be used to purchase meats and other foods needed to provide balanced school lunches. This transfer authority is the same as provided for 1961 and as requested in the budget for 1962.

Of the increase, \$10,000,000 is included to provide special assistance to help particularly needy schools defray the cost of serving lunches to needy children. Language is included in the bill to authorize the Secretary to allocate this money to areas of greatest need and to prescribe standards and criteria under which the funds will be used.

The balance of the increase, \$5,000,000, will be distributed to all States in the usual manner. This increase is included to partially offset the steadily decreasing rate of Federal assistance, due to the constantly increasing student participation in the program.

The number of schools enrolled in the program has increased from a peak of 61,442 in fiscal year 1959 to 62,975 in fiscal year 1960. The number of children receiving lunches has increased from a peak of 12 million in 1959 to 12.8 million in 1960—and further substantial increases have occurred during the present school year.

Since 1947, the first year under the School Lunch Act, the number of meals served has nearly tripled, while funds for Federal cash payments have increased about 50 percent. As a result, the average rate of Federal cash assistance per meal has declined from an average of 8.7 cents in 1947 to about 4 cents in the current year. In States where participation has increased faster than school population, the rate of Federal assistance has fallen substantially below the national average—as low as 1.5 cents in one State. It is hoped that the additional funds in this bill will help to correct this situation.

During fiscal year 1960, over \$1 billion was expended under this program, including appropriations and contributions from all sources. Federal contributions, including donated commodities and the Special Milk Program totaled \$304 million, State and local contributions were in excess of \$220 million, and payments by participating children exceeded \$555 million. While Federal funds represent the smaller portion of the total funds involved, they are highly important since they serve as the financial foundation for the entire program.

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service develops plans and policies related to the administration of the foreign affairs and interests of United States agriculture. It gathers and disseminates to American agriculture basic information on foreign marketing of United States agricultural products. It coordinates and directs a worldwide agricultural attache service with particular emphasis on the development of markets for American products and on trade reporting from foreign areas designed to aid American farmers and exporters.

Salaries and expenses.—The budget estimate provides a total of \$15,877,000 for this activity during the coming fiscal year. Of this amount \$12,760,000 is requested as a direct appropriation and \$3,117,000 is requested as a transfer from Section 32 funds.

The Committee recommends the full transfer of \$3,117,000 for 1962, plus a direct appropriation of \$12,457,000. The appropriation figure represents a decrease of \$2,818,300 below 1961 and \$303,000 in the 1962 budget request.

Two increases are provided within the amount allowed: \$300,000 to open 3 new attache posts and increase the number of marketing specialists abroad and \$74,500 for studies of the competitive position of major U.S. farm commodities in leading foreign markets and for expanding reports to the U.S. Trade. These increases are more than offset by a reduction in market development activities, leaving the net decrease set forth above.

Attache posts at Addis Ababa, Beirut, and San Salvador are proposed to provide more adequate information on market prospects for U.S. Agricultural commodities and to permit better support of commercial agricultural trade operations.

With agricultural exports from Ethiopia to the U.S. running so much higher than agricultural imports from the U.S., greater efforts are needed to increase the exports of U.S. agricultural commodities to Ethiopia. There is also a need to intensify agricultural representation in Lebanon in order to keep abreast of marketing developments and to take advantage of expected opportunities for further U.S. participation in international trade in this area. Also, Central America is of vital importance to the U.S. as a market and source of supply. It is an expanding market for a significant variety and volume of U.S. agricultural exports.

Foreign currency program.—The budget estimate of \$3,444,000 is recommended for the coming fiscal year for market development activities under section 104(a), through the use of foreign currencies generated by the sale of U.S. agricultural commodities abroad under Public Law 480. The program to be financed under this appropria-

tion will be conducted primarily in those countries where the U.S. has an excess supply of local currencies to its credit.

The market development work financed with these funds includes promotion of the sale abroad of various U.S. products. These include cotton, dairy and poultry products, fats and oils, grain and feed, livestock and meat products, and tobacco, all of which require substantial foreign markets to support a healthy domestic economy for producers of these commodities. Through cooperative projects the Department furnishes foreign currencies and over-all guidance, including assistance by the Agricultural Attaches abroad. The cooperator carries out the work, either directly or in cooperation with foreign groups. In all projects, however, U.S. trade and agricultural groups cooperate directly or indirectly, to the maximum extent possible.

Since all commodities sold, donated and bartered under Public Law 480 are paid for and charged to the Department of Agriculture and to American Agriculture in the public mind, all sales agreements under this program should contain provisions, as authorized by the Act, to set aside for market development purposes the maximum amount of foreign currencies which can be efficiently and effectively used. Such agreements should also provide for the maximum convertibility of the foreign currencies for use in other areas where this work can be productive.

COMMODITY EXCHANGE AUTHORITY

The objectives of this agency are to prevent commodity price manipulations and market corners; prevent dissemination of false and misleading crop and market information; protect hedgers and other users of the commodity futures markets; insure the benefits of membership privileges on contract markets to cooperative associations; insure trust-fund treatment of margin moneys and equities of hedgers and other trade operations and contract market.

The bill carries an appropriation of \$1,000,000 for fiscal year 1962. This is a reduction of \$7,000 in the budget estimate. The increase of \$10,000 above 1961 provides for pay costs which were partially absorbed in 1961. Due to the heavy enforcement load of this agency and the small appropriation, it is impossible to force full absorption of these pay costs in 1962.

COMMODITY STABILIZATION SERVICE

The Commodity Stabilization Service has responsibility for the operation of the Commodity Credit Corporation, the acreage allotment and marketing quota program, the Sugar Act, the ASC State and county offices, and various related activities. Also the conservation reserve program of the soil bank is administered by this agency. The Agricultural Conservation Program has recently been placed under the jurisdiction of this agency, and the new special agricultural conservation program related to the feed-grain program has been assigned to this agency.

Acreage allotments and marketing quotas.—An appropriation of \$44,098,000 is included in the bill for 1962, an increase of \$500,000 over 1961 and a decrease of \$735,000 in the 1962 budget estimates.

The additional funds are provided for checking compliance on an increased number of cotton acres, due to an increase in the national acreage allotment for the 1961 crop. On October 13, 1960, a national acreage allotment of 18,398,424 acres was proclaimed for the 1961 crop of upland cotton. In addition, 60,000 of the 310,000 acre national acreage reserve was used to take care of minimum farm allotments, making a total of 18,458,424 acres available for allotment to cotton farms. Since a total of 660,000 cotton acres are in the Conservation Reserve, this leaves 17,798,424 acres for measurement under this appropriation. This is an increase of 930,544 acres over the 1960 crop. When marketing quotas are in effect, compliance with acreage allotments is mandatory. Only the production from the allotted acres can be sold without penalty. Compliance checking must be done as quickly as possible when seasonal development of the crop and weather conditions permit, so that "within quota" marketing cards may be issued before the beginning of the marketing year on August 1.

Sugar Act program.—The Committee recommends the sum of \$78,000,000 for fiscal year 1962, an increase of \$3,500,000 over 1961 and a decrease of \$3,314,000 in the 1962 budget. This increase over 1961 funds for mandatory payments to sugar producers is based on a projected increase of sugar production in 1961 over 1960 production. The decrease in the budget request has been made since recent estimates of sugar production are somewhat lower than those upon which the budget was based.

Payments are made to domestic producers of sugarbeets and sugarcane who comply with certain special requirements. To finance these payments, a tax of 50 cents per hundred pounds is imposed on all beet and cane sugar processed in or imported into the continental United States for direct consumption.

During the period 1938–1960 collection from excise taxes and imports have exceeded payments by \$428.1 million.

Agricultural Conservation Program.—The purposes of this program include restoring and improving soil fertility, reducing erosion caused by water and wind, and conserving water on the land. To effectuate these purposes, the agricultural conservation program offers cost-sharing assistance to individual farmers and ranchers for carrying out approved soil building and soil and water conserving practices on their farms. The Federal assistance represents only a part of the cost of performing the practice. The farmer bears the balance of the cost—50 percent on the average—and in addition often supplies the labor necessary to carry out the practice.

An appropriation of \$238,000,000 is included in the 1962 appropriation bill for payments earned under the program authorized in the 1961 Appropriation Act. The Committee also has restored the authorization for the 1962 program to the \$250 million level.

As has been pointed out earlier in this report, this program provides the primary financial support for the entire conservation effort of the Department. The program has over 1 million participants each year, which represents nearly 25 percent of all farming units in the United States.

A full discussion of the importance of this program to the Nation's conservation effort is presented at the beginning of this report.

Special agricultural conservation program.—The Act of March 22, 1961 (Public Law 87-5), provides for a special agricultural conservation program for feed-grains. Under this program, conservation payments, in amounts specified in the Act, will be made to farmers who divert acreage from the production of corn and grain sorghums to an approved conservation use and increase their average acreage devoted in 1959 and 1960 to designated soil-conserving crops or practices by an equal amount.

This appropriation provides funds for the administrative costs of the agricultural conservation portion of the program. It assumes that approximately 1,500,000 farmers in areas throughout the United States producing corn and grain sorghums will participate in the 1961 feed-grain program. The program will be administered in the field by ASC State and county committees.

The bill for 1962 includes \$15,000,000 for this purpose, a decrease of \$5,500,000 in the budget estimate.

Conservation reserve program.—An appropriation of \$300,000,000 is provided to pay off obligations incurred under 1960 and prior year programs. This is a reduction of \$30,000,000 in the budget estimate. It is the same amount below the 1961 appropriation.

Based on past experience, the Committee feels that the amount recommended for 1962 will be adequate. Of course, the Government will be required to meet its commitments under this program for some years to come, regardless of the size of annual appropriations. Authority to enter into new contracts expired at the end of the 1960 program year. Unless the program is reactivated, future appropriations will be limited to amounts needed to liquidate existing contracts.

FEDERAL CROP INSURANCE CORPORATION

Crop insurance offered to agricultural producers provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The 1962 bill carries an appropriation for this program of \$6,561,000, which is the same amount as was provided for the current fiscal year. In addition, authority is provided for the Corporation to spend \$2,830,000 from its premium income for administrative costs in fiscal year 1962. This provides an increase over 1961 of \$200,000.

The program is operating in 895 counties in fiscal year 1961 and is expected to be extended to 939 counties in 1962. The program for 1962 contemplates 415,000 crops insured as compared to 390,000 in 1961. During the 12 years that the program has been operating on a limited experimental basis, premiums have exceeded indemnities by about \$6.4 million.

The Committee believes that this program, which now appears to have gone beyond the experimental stage, should be made available on a much broader basis as rapidly as sound insurance practice will permit. It feels that the program should now be offered throughout the country and should be undertaken where local interest is high and where sign-ups are sufficient to make the program actuarially sound.

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order in 1935 to make loans for the extension of central station electric service to unserved rural people. The agency was continued by the Rural Electrification Act of 1936 and became a part of the Department of Agriculture in 1939. In 1949, the Act was amended to authorize REA to make loans for the purpose of furnishing and improving telephone service to rural areas. Loans for construction of electric and telephone facilities are self liquidating within a period of not to exceed thirty-five years, including interest.

Loan authorizations.—The 1962 budget proposed authorizations of \$195,000,000 for electrification loans and \$150,000,000 for telephone loans. The Committee has included these amounts in the bill. However, it has placed a portion of each item in a contingency reserve, in accord with the practice it has followed for a number of years.

The amount approved for electrification loans includes a direct authorization of \$125,000,000 plus a contingency fund reserve of \$70,000,000, making a total of \$195,000,000. For telephone loans, the direct authorization approved is \$120,000,000 plus a reserve of \$30,000,000, a total of \$150,000,000.

The amount recommended will provide a total of \$225,000,000 for electrification loans for fiscal year 1962, including a carry over of about \$30,000,000. The amount included in the bill will provide a telephone loan program of \$151,000,000 for 1962, including \$1,000,000 to be carried over from 1961. These amounts appear to be adequate to meet the loan applications expected during the year.

In connection with new loans, the REA should determine a proper level of reserve for each applicant, should set up proper criteria for granting new loans, and should make certain that funds are used for the purposes for which they are made available.

Salaries and expenses.—The full budget estimate of \$10,024,000 is proposed for administrative expenses for the coming fiscal year. This is the same amount as appropriated for fiscal year 1961.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration performs the following major activities: (1) makes direct and insured farm ownership loans to farm tenants, farm laborers, share croppers and other individuals for the purchase, enlargement or development of family type farms; (2) makes production and subsistence loans to farmers and stockmen for farm operating expenses and other farm needs, including the financing of indebtedness and family subsistence; (3) makes direct and insured soil and water conservation loans for the development and utilization of water supplies and for the improvement of farm lands by soil and water conserving facilities and practices; (4) makes emergency loans to farmers and stockmen in designated areas where disaster has caused need for agricultural credit not readily available from other sources; (5) makes farm housing loans for construction, improvement, alteration, repair or replacement of dwellings and other farm buildings; and (6) makes watershed loans to local organizations for installing, repairing or improving works of improvement and water storage facilities, purchasing sites or rights-of-way and for related costs of watershed

projects. Technical guidance in planning and carrying out sound farm operations is provided farmers on the basis of their individual problems and needs. No loans are made to applicants who can secure adequate credit from other sources at reasonable rates.

Loan authorizations.—For the lending programs of this agency for fiscal year 1962, the bill includes total loan authorizations of \$284,-900,000. This includes \$31,900,000 for farm ownership loans, \$250,000,000 for farm operating loans, and \$3,000,000 for soil and water conservation loans. Of the amount for farm operating loans, \$25,000,000 has been placed in a contingency reserve to be drawn upon when and as needed.

The need for agricultural credit has been increasing greatly in recent years in most areas of the country. The full contingency of \$40,000,000 provided for fiscal year 1961 has been used and reports indicate that operating loan funds have been completely exhausted in many areas for several months. Many farmers are in urgent need of credit to plant their crops during this season of the year. Should such a situation develop next year, the contingency fund of \$25,000,000 will be available to meet the need.

It came to the attention of the Committee last year that two sets of standards were being used for housing loans. One set was established for counties participating in the Rural Development Program, and another set was used for other counties of the Nation. The Committee disapproved of this policy in its report last year. It has been informed that necessary changes have been made since January. It is expected that all regions will continue to be treated on the same basis.

The repayment record under this program has been excellent through the years. Repayments of both principal and interest continue to exceed the face value of loans due and repayable. Also, annual collections are beginning to approximate amounts loaned each year. For fiscal year 1961, the estimated loans and collections are as follows:

[In millions]

	Loans	Collections
Farm ownership.....	\$31.9	\$30.5
Farm operating.....	232.1	199.8
Soil and water conservation.....	3.0	3.8
Total.....	267.0	234.1

Salaries and expenses.—The 1961 appropriation of \$33,017,000 is provided again for 1962. No increases can be justified at this time.

OFFICE OF THE GENERAL COUNSEL

This Office performs all legal work arising from the activities of the Department. The General Counsel represents the Department in many administrative proceedings for the promulgation of rules having the force and effect of law; in quasi-judicial hearings held in connection with the administration of various programs and acts; and in proceedings before the Interstate Commerce Commission involving freight rates and practices relating to farm commodities. He serves as general

counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation. In addition, he reviews criminal cases arising under the programs of the Department for referral to the Department of Justice.

The sum of \$3,650,000 is recommended for fiscal year 1962 for this office. The increase of \$25,000 over 1961 is provided for additional legal services incident to loans under Section 8 of the Watershed and Flood Prevention Act. The Committee feels, however, that this should not be considered a permanent increase above the 1961 base. In the absence of overriding reasons, the General Counsel will be expected to drop back to the present level for the following fiscal year.

OFFICE OF THE SECRETARY

The Office of the Secretary includes such staff offices of the Department as the immediate Office of the Secretary, the Office of Personnel, the Office of Budget and Finance, the Office of Plant and Operations, the Office of Hearing Examiners, the Office of Administrative Management, and the National Agricultural Advisory Commission.

The bill includes, \$3,096,000 for fiscal year 1962, an increase of \$15,500 over 1961 and a decrease of \$34,000 in the budget request. The increase of \$15,500 is to cover additional expenses of the National Agricultural Advisory Commission.

The President by Executive Order has increased the membership of the Commission from 18 to 25 members. Additional funds are required by the increased membership for per diem and transportation costs. The members of the Commission do not receive any salary, and are reimbursed for travel and per diem costs only.

OFFICE OF INFORMATION

The Office of Information has general direction and supervision over all publications and other information activities of the Department. The Office publishes the Yearbook of Agriculture, the Annual Report of the Secretary of Agriculture, the Department Directory, and the Department List of Publications. It handles the distribution of farm bulletins and requests for information received in the Department. It also produces motion pictures, chart and graphic materials and photographic work for the Department and other Government agencies through reimbursement.

The bill for fiscal year 1962 includes a recommended appropriation of \$1,584,000 for the work of this office. This is an increase of \$36,000 over 1961 and a decrease of \$26,000 in the budget estimate. Of the increase, \$10,000 is provided for more effective dissemination of agricultural information and \$26,000 is provided to meet an increased demand for agricultural educational motion pictures for television.

The requirements for information work have increased since 1954 in almost direct ratio to the increased activity of the Department in research, education, and other regular programs. The increased activity is indicated in part by the fact that appropriations for research and education have been increased by 110.8 percent from 1954 to 1960. By contrast, appropriations to the Office of Information have been increased by only 11.2 percent since 1954.

The distribution of the Department's films is generally handled through 71 cooperating film libraries, primarily located at the Land-Grant Colleges and Universities, and USDA field offices. In addition to servicing these libraries and field offices, the Office handles directly nearly all of the requests for bookings from television stations. Films in circulation have increased from 216 to 432 since 1953 (100 percent increase) and the number of prints in circulation have increased from 30,000 in 1953 to 53,000 in 1960 (77 percent increase).

Over 6 million farmers bulletins were distributed in 1960.

CENTENNIAL OBSERVANCE OF AGRICULTURE

The date May 15, 1962, will mark the centennial of the passage of legislation establishing the Department of Agriculture. Through research, service, and education, the Department has contributed significantly to the development of an efficient and productive agricultural enterprise in the United States, and has contributed substantially to furthering the health and welfare of the American people.

A nonrecurring appropriation of \$100,000 is proposed to provide for planning and carrying out activities related to the centennial observance of the establishment of the Department of Agriculture.

A program for the participation by agricultural trade, industry, and commodity groups in the centennial observance is proposed. It will be coordinated with centennial activities to be carried out directly by the Department, the land-grant institutions, and other governmental agencies. The trade, industry, and commodity groups will finance the costs of the activities in which they participate.

LIBRARY

The Library procures and preserves all information concerning Agriculture. Under the act establishing the Department of Agriculture, it serves as the National Agricultural Library.

An appropriation of \$1,000,000 is proposed for 1962, an increase of \$49,000 over 1961 and a decrease of \$57,000 in the 1962 budget request. The increase of \$49,000 is provided to enable the Library to provide better service to the many research programs of the Department. It would permit increased acquisition and cataloging of basic research publications. It would also enable the Library to conduct specialized searches of scientific publications as needed by research workers.

TITLE II—FOREIGN ASSISTANCE PROGRAMS

This portion of the bill includes \$1,600,000,000 to finance during fiscal year 1962 the various foreign assistance type programs assigned to the Department. In accordance with law, these activities have been financed in the past on a reimbursable basis using the Commodity Credit Corporation as the financing agency. It is proposed in this bill to finance the programs for the first time by direct annual appropriations for the coming year.

This proposal to put these programs on a "pay-as-you-go" basis has been discussed at length in the opening paragraphs of this report, where it is pointed out that the present practice of using the Corporation's capital funds for this purpose has handicapped that organization in carrying out its primary purpose of administering the price

support programs of the Department. During the present fiscal year, over \$2.5 billion of Corporation funds have been tied up in these special and unrelated programs. As a result, the balance available for the regular price support functions has been reduced to around \$800 million dollars, which is insufficient to be certain that the Corporation will be able to meet its obligations in the event of any unusual price support demands.

The appropriation requests and amounts recommended for these programs for the coming fiscal year are as follows:

	Budget request	Recommended in bill
Public Law 480:		
Sales for foreign currencies.....	\$1,310,500,000	\$1,250,451,000
Emergency famine relief.....	140,868,000	140,868,000
Long-term supply contracts.....	13,000,000	13,000,000
Total, Public Law 480.....	1,464,386,000	1,404,319,000
International Wheat Agreement.....	70,681,000	70,681,000
Bartered materials for supplemental stockpile.....	174,800,000	125,000,000
Total.....	1,709,849,000	1,600,000,000

The reductions in the budget of \$109,849,000 include \$60,049,000 for sales for foreign currencies under Title I of Public Law 480 and \$49,800,000 for the bartered materials for supplemental stockpile program. While it is realized that these amounts are not fully controlling, since contract authority under basic law permits the Department to enter into agreements and commit the Government to expenditures which must be financed from subsequent appropriations, it is hoped that the amounts proposed will serve as general guides in the conduct of the programs.

As explained at the beginning of this report, this proposal to provide separate appropriations on a pay-as-you-go basis is made for the following reasons:

(1) The primary function of the Commodity Credit Corporation is to carry out the price support programs authorized by law. Its capital funds should be left entirely free to finance these primary functions.

(2) Funds required to finance the many unrelated programs of various types, which have been financed through Commodity Credit Corporation at the direction of Congress as a matter of convenience, should be provided through separate appropriations for the specific purposes. They should be provided in advance in the usual manner, so as not to tie-up the operating funds of the Corporation needed for regular purposes.

(3) Appropriations for these large programs with international implications should be provided on their own merits and should be separated from regular Commodity Credit Corporation funds in all budgets and appropriation bills.

(4) The tendency of the general public and the press to charge the cost of these multi-billion dollar programs to the Department of Agriculture, and to American Agriculture, is unfortunate. The fact that these programs are important instruments of our international relations, and are controlled largely by departments of the Federal Government other than the Department of Agriculture, is not generally understood. It is hoped this proposal will be the first step in making a clear distinction between Commodity Credit Corporation price

support operations and foreign assistance programs financed through the Corporation as a matter of convenience.

TITLE III—CORPORATIONS

COMMODITY CREDIT CORPORATION

The Commodity Credit Corporation was organized on October 17, 1933. Until 1939, it was managed and operated in close affiliation with the Reconstruction Finance Corporation. In July 1939 it was transferred to the Department of Agriculture by the President's Reorganization Plan Number 1. Under the Commodity Credit Corporation Charter Act of 1948, it was established as an instrumentality of the United States under a permanent Federal charter. The Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and fibers, for the purpose of stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balanced and adequate supplies of such commodities; and facilitating their orderly distribution. Under the basic Act there are no restrictions on the sale of commodities abroad. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

Also, as explained previously, the funds and facilities of the Corporation have been utilized to carry out surplus-disposal programs and other special activities outside of its regular functions, for which it is authorized to be reimbursed. These special activities include the International Wheat Agreement, emergency famine relief to friendly peoples under Title II of Public Law 480, sales for foreign currencies under Title I of Public Law 480, transfer of bartered materials to supplemental stockpile under the Agricultural Act of 1956, grain for migratory waterfowl under the Act of July 3, 1956, and grading and classing activities.

The Committee has included appropriations in this title of the bill to restore to the Corporation the costs of its own activities (price support programs) through June 30, 1960. Further, it has recommended funds in this portion of the bill to reimburse the Corporation for all expenditures made by it for the various foreign assistance and special programs through June 30, 1961. In the previous title, funds are included to cover the 1962 fiscal year costs of these programs.

Restoration of Capital impairment.—The full budget estimate of \$1,017,610,000 is recommended for restoration of capital impairment of the Corporation through June 30, 1960. Total capital impairment for the fiscal year 1960 was \$1,612 million. Of this amount, \$594.5 million was provided in the 1961 appropriation bill. The sum provided in this bill covers the balance.

A breakdown of the price support costs for fiscal years 1959 and 1960 is as follows:

[In thousands]

	1959 costs	1960 costs
Storage, handling and transportation.....	\$392,038	\$378,735
Interest expense.....	146,945	413,356
Administrative and related expenses.....	48,199	65,280
Payments to non-farm groups.....	587,182	857,371
Losses on price support operations.....	619,818	754,739
Total costs.....	1,207,000	1,612,110

These figures indicate that less than half of this cost for 1960 was due to loss on commodities under the price support operations. Better than 53 per cent of all expenditures under this program actually represent payments to non-farm groups for storage, transportation, interest and administrative expenses.

Reimbursements of prior year expenditures for foreign assistance and other special activities.—Appropriations totaling \$1,951,915,000 are recommended to reimburse the Corporation for the costs of these various programs through June 30, 1961. A further breakdown of fiscal year 1960 and 1961 costs is as follows:

	1960 costs	1961 costs
Public Law 480:		
Sales for foreign currencies.....	\$881,000,000	\$1,353,000,000
Emergency famine relief.....	107,094,000	255,685,000
Total, Public Law 480.....	988,094,000	1,608,685,000
International Wheat Agreement.....	32,572,000	88,790,000
Bartered materials for supplemental stockpile.....	422,950,000	163,163,000
Grain for migratory waterfowl.....	18,000	13,000
Grading and classing activities.....		1,264,000
Special milk program.....		90,000,000
Total reimbursements.....	1,443,634,000	1,951,915,000

The full budget estimate for each program has been approved. This will restore the full amount of funds used for these purposes through June 30, 1961, and make them available for the price support activities of the Corporation during the coming year.

Administrative expense limitation.—The bill for 1962 includes an authorization of \$47,500,000 for administrative expenses of the Corporation during the coming fiscal year. This is an increase of \$1,774,000 over 1961 and a decrease of \$816,000 in the budget request.

The increase has been provided to finance an increase in workload volume primarily in the CSS Commodity Offices. This additional workload is due principally to increases in activities resulting from the 1961 Feed Grain Program as authorized in Public Law 87-5, and workload volume under the cotton, peanuts, and dairy products price support programs.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

Administrative expense limitation.—The Farm Credit Administration provides supervision, examination, facilities and services to the coordinated system of farm credit banks and corporations which make loans to farmers and their cooperatives. It was originally created in 1933 and was transferred to the Department of Agriculture in 1939. It was reestablished as an independent agency by the Farm Credit Act of 1953.

The bill includes an administrative expense limitation of \$2,590,000 for the Farm Credit Administration for fiscal year 1962, which is the amount included in the budget estimates. The increase of \$1,000 over the 1961 limitation is merely to round-off the amount of the appropriation.

On December 31, 1960, the Administration had 228 full-time employees of whom 99 were in Washington. The 129 field employees are farm loan registrars, reviewing appraisers, and farm credit examiners.

Federal Farm Mortgage Corporation.—The bill also includes language which authorizes expenditures necessary in the liquidation of the Federal Farm Mortgage Corporation and the sale of its mineral reservations. All Government capital has been repaid.

DEPARTMENT OF INTERIOR

Grain for Migratory Waterfowl.—Under the Act of July 3, 1956, as amended (7 U.S.C. 442-445), the Commodity Credit Corporation makes available grain from its stocks for use of the Department of Interior as feed for migratory waterfowl to prevent crop damage. Appropriations are authorized to reimburse the Corporation for its investment in the grain furnished.

It is estimated that 400 tons of grain valued at \$35,000 will be furnished to the Department of Interior in 1962, pursuant to their requisitions, compared with 400 tons furnished in 1961 valued at \$35,165.

This item, which has been financed through the Commodity Credit Corporation in the past, is being carried here as an advance appropriation for fiscal year 1962 for the first time.

TITLE V—GENERAL PROVISIONS

The general provisions contained in the accompanying bill for fiscal year 1962 are essentially the same as those included in previous appropriation bills.

Section 501 authorizes the purchase of 398 passenger motor vehicles in fiscal year 1962. This will permit the replacement of 385 worn out vehicles and will finance the purchase of 13 new cars required by the Agricultural Research Service at new field research stations.

Former Section 407 has been eliminated since the prohibition against using funds for publicity or propaganda purposes has now become general law for all Federal departments and agencies.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations not heretofore carried in any appropriation act are included in the bill:

On page 3, in connection with the Agricultural Research Service:

Provided further, That the limitations on alterations contained in this Act shall not apply to a total of \$50,000 for conversion of animal disease and parasite research facilities at Beltsville, Maryland:

On page 4, in connection with the Agricultural Research Service:

Provided further, That the Secretary is authorized to acquire land for the plant pest control activities presently located at Gulfport, Mississippi;

On page 10, in connection with Watershed Protection:

Provided further, That not to exceed \$2,500,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

On page 11, in connection with Flood Prevention:

Provided further, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

The following legislative provisions not heretofore carried in any appropriation act are included in the bill:

On page 15, in connection with School Lunch Program:

Provided further, That for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the National School Lunch Act (7 U.S.C. 1758), not to exceed \$10,000,000 of this appropriation shall be available for assistance under sections 4 and 10 of that Act (42 U.S.C. 1753-1754) under such regulations as the Secretary may prescribe and without regard to provisions of that Act governing the apportionment of funds.

On page 32, in connection with Reimbursements to Commodity Credit Corporation:

Provided, That the appropriations provided in this paragraph shall be immediately available:

PERMANENT APPROPRIATIONS

Item	Authorizations, 1961	Budget estimates, 1962	Increase or decrease
Agricultural Marketing Service:			
Removal of surplus agricultural commodities (sec. 32)-----	\$319, 960, 723	\$337, 500, 000	+\$17, 539, 277
Perishable Agricultural Commodities Act fund-----	670, 000	670, 000	-----
Total, Agricultural Marketing Service-----	320, 630, 723	338, 170, 000	+17, 539, 277
Commodity Stabilization Service: National Wool Act-----	67, 189, 909	59, 000, 000	-8, 189, 909
Total, permanent appropriations-----	387, 820, 632	397, 170, 000	+9, 349, 368

NOTE.—Amounts as estimated and shown in the January, 1961 budget document for 1962. Subject to further revision.

LOAN AUTHORIZATIONS

Item	Authorizations, 1961	Budget estimates, 1962	Recommended in bill for 1962	Bill compared with—	
				1961 authorizations	1962 estimates
Rural Electrification Administration:					
Electrification loans:					
Direct authorization-----	\$110, 000, 000	\$195, 000, 000	\$125, 000, 000	+\$15, 000, 000	-\$70, 000, 000
Contingency authorization-----	60, 000, 000	-----	70, 000, 000	+10, 000, 000	+70, 000, 000
Total-----	170, 000, 000	195, 000, 000	195, 000, 000	+25, 000, 000	-----

**COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1961 AND ESTIMATES AND AMOUNTS RECOMMENDED
IN BILL FOR 1962**

TITLE I—REGULAR ACTIVITIES

Item	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in bill for 1962	Bill compared with—	
				1961 appropriations	1962 estimates
Agricultural Research Service:					
Salaries and expenses:					
Research-----	¹ \$71, 233, 000	\$77, 174, 000	\$76, 558, 000	+\$5, 325, 000	—\$616, 000
Plant and animal disease and pest control-----	53, 970, 000	55, 390, 000	55, 165, 000	+1, 195, 000	—225, 000
Meat inspection-----	23, 126, 000	24, 216, 000	24, 216, 000	+1, 090, 000	-----
Total-----	148, 329, 000	156, 780, 000	155, 939, 000	+7, 610, 000	—841, 000
Salaries and expenses (special foreign currency program)-----	15, 131, 000	5, 265, 000	5, 265, 000	—9, 866, 000	-----
Construction of facilities-----	7, 750, 000	550, 000	800, 000	—6, 950, 000	+250, 000
State experiment stations:					
Payments to States and Puerto Rico-----	32, 553, 000	34, 553, 000	34, 553, 000	+2, 000, 000	-----
Penalty mail-----	250, 000	250, 000	250, 000	-----	-----
Total-----	32, 803, 000	34, 803, 000	34, 803, 000	+2, 000, 000	-----
Total, Agricultural Research Service-----	204, 013, 000	197, 398, 000	196, 807, 000	—7, 206, 000	—591, 000

Extension Service:					
Payments to States and Puerto Rico	56,578,000	58,790,000	58,790,000	+2,212,000	-----
Retirement costs for extension agents	5,961,000	6,260,000	6,260,000	+299,000	-----
Penalty mail	2,490,000	2,490,000	2,490,000	-----	-----
Federal Extension Service	2,402,000	2,500,000	2,452,000	+50,000	-48,000
Total, Extension Service	67,431,000	70,040,000	69,992,000	+2,561,000	-48,000
Farmer Cooperative Service	657,000	657,000	657,000	-----	-----
Soil Conservation Service:					
Conservation operations	88,604,000	89,725,000	89,725,000	+1,121,000	-----
Watershed protection	36,725,000	53,787,000	53,787,000	+17,062,000	-----
Flood prevention	19,570,000	19,463,000	25,000,000	+5,430,000	+5,537,000
Great Plains conservation program	10,168,000	10,168,000	10,168,000	-----	-----
Total, Soil Conservation Service	155,067,000	173,143,000	178,680,000	+23,613,000	+5,537,000
Economic Research Service	19,049,000	9,533,000	9,049,000	-----	-484,000
Statistical Reporting Service	18,188,000	8,722,000	8,688,000	+500,000	-34,000
Agricultural Marketing Service:					
Marketing research and service:					
Marketing research	14,217,200	4,515,000	4,515,000	+297,800	-----
Marketing services	29,694,900	233,295,000	233,187,000	+3,492,100	-108,000
Total	33,912,100	37,810,000	37,702,000	+3,789,900	-108,000

See footnotes at end of table, p. 45.

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE I—REGULAR ACTIVITIES—Continued

Item	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in bill for 1962	Bill compared with—	
				1961 appropriations	1962 estimates
Agricultural Marketing Service—Con.					
Payments to States and possessions-----	\$1, 195, 000	\$1, 195, 000	\$1, 400, 000	+\$205, 000	+\$205, 000
School lunch program-----	³ 110, 000, 000	³ 120, 000, 000	³ 125, 000, 000	+ 15, 000, 000	+ 5, 000, 000
Total, Agricultural Marketing Service-----	145, 107, 100	159, 005, 000	164, 102, 000	+ 18, 994, 900	+ 5, 097, 000
Foreign Agricultural Service:					
Salaries and expenses-----	^{1 4} 15, 275, 300	⁴ 12, 760, 000	12, 457, 000	— 2, 818, 300	— 303, 000
Salaries and expenses (special foreign currency program)-----	3, 465, 200	3, 444, 000	3, 444, 000	— 21, 200	-----
Total, Foreign Agricultural Service-----	18, 740, 500	16, 204, 000	15, 901, 000	— 2, 839, 500	— 303, 000
Commodity Exchange Authority-----	990, 000	1, 007, 000	1, 000, 000	+ 10, 000	— 7, 000
Commodity Stabilization Service:					
Acreage allotments and marketing quotas-----	43, 598, 000	44, 833, 000	44, 098, 000	+ 500, 000	— 735, 000
Sugar Act program-----	74, 500, 000	81, 314, 000	78, 000, 000	+ 3, 500, 000	— 3, 314, 000
Agricultural conservation program-----	242, 000, 000	238, 000, 000	238, 000, 000	— 4, 000, 000	-----

Special agricultural conservation program-----		20, 500, 000	15, 000, 000	+ 15, 000, 000	-- 5, 500, 000
Conservation reserve program-----	330, 000, 000	330, 000, 000	300, 000, 000	-- 30, 000, 000	-- 30, 000, 000
Total, Commodity Stabilization Service-----	690, 098, 000	714, 647, 000	675, 098, 000	-- 15, 000, 000	-- 39, 549, 000
Federal Crop Insurance Corporation: Operating and administrative expenses-----	6, 561, 000	6, 561, 000	6, 561, 000		
Rural Electrification Administration: Salaries and expenses-----	10, 024, 000	10, 024, 000	10, 024, 000		
Farmers Home Administration: Salaries and expenses-----	33, 017, 000	33, 317, 000	33, 017, 000		-- 300, 000
Office of General Counsel-----	3, 625, 000	3, 650, 000	3, 650, 000	+ 25, 000	
Office of Secretary-----	3, 080, 500	3, 130, 000	3, 096, 000	+ 15, 500	-- 34, 000
Office of Information-----	1, 548, 000	1, 610, 000	1, 584, 000	+ 36, 000	-- 26, 000
Centennial observance of agriculture-----		130, 000	100, 000	+ 100, 000	-- 30, 000
Library-----	951, 000	1, 057, 000	1, 000, 000	+ 49, 000	-- 57, 000
Total, regular activities-----	1, 358, 147, 100	1, 409, 835, 000	1, 379, 006, 000	+ 20, 858, 900	-- 30, 829, 000

See footnotes at end of table, p. 45.

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE II—FOREIGN ASSISTANCE PROGRAMS

	Appropriations, 1961 (to date) (1961 costs)	Budget estimates, 1962 (revised) (1962 costs)	Recommended in bill for 1962	Bill compared with—	
				1961 appropriation	1962 estimates
Public Law 480:					
Sales for foreign currencies-----	(\$1, 353, 000, 000)	\$1, 310, 500, 000	\$1, 250, 451, 000	+\$1, 250, 451, 000	—\$60, 049, 000
Emergency famine relief-----	(255, 685, 000)	140, 868, 000	140, 868, 000	+ 140, 868, 000	-----
Long-term supply contracts-----	-----	13, 000, 000	13, 000, 000	+ 13, 000, 000	-----
Total, Public Law 480-----	(1, 608, 685, 000)	1, 464, 368, 000	1, 404, 319, 000	+ 1, 404, 319, 000	—60, 049, 000
International Wheat Agreement-----	(88, 790, 000)	70, 681, 000	70, 681, 000	+ 70, 681, 000	-----
Bartered materials for supplemental stock- pile-----	(163, 163, 000)	174, 800, 000	125, 000, 000	+ 125, 000, 000	—49, 800, 000
Total, foreign assistance programs...	⁵ (1, 860, 638, 000)	⁶ 1, 709, 849, 000	1, 600, 000, 000	+ 1, 600, 000, 000	—109, 849, 000

TITLE III—CORPORATIONS

	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in bill for 1962	Bill compared with—	
				1961 appropriations	1962 estimates
Federal Crop Insurance Corporation: Ad- ministrative and operating expenses-----	(\$2, 630, 000)	(\$2, 830, 000)	(\$2, 830, 000)	(+ \$200, 000)	-----

Commodity Credit Corporation:									
Restoration of capital impairment (price support and related operations)-----					1, 226, 500, 000	1, 017, 610, 000	1, 017, 610, 000	-208, 890, 000	-----
Reimbursements of prior year expenditures for foreign assistance and other special activities:									-----
Public Law 480:					(1960 costs)	(1961 costs)			-----
Sales for foreign currencies-----					881, 000, 000	1, 353, 000, 000	1, 353, 000, 000	+472, 000, 000	-----
Emergency famine relief-----					107, 094, 000	255, 685, 000	255, 685, 000	+148, 591, 000	-----
Total, Public Law 480-----					988, 094, 000	1, 608, 685, 000	1, 608, 685, 000	+620, 591, 000	-----
International Wheat Agreement-----					32, 572, 000	88, 790, 000	88, 790, 000	+56, 218, 000	-----
Bartered materials for supplemental stockpile-----					422, 950, 000	163, 163, 000	163, 163, 000	-259, 787, 000	-----
Grain for migratory waterfowl-----					18, 000	13, 000	13, 000	-5, 000	-----
Grading and classing activities-----					-----	1, 264, 000	1, 264, 000	+1, 264, 000	-----
Total, reimbursements-----					1, 443, 634, 000	1, 861, 915, 000	1, 861, 915, 000	+418, 281, 000	-----
Reimbursement for special milk program-----					-----	90, 000, 000	90, 000, 000	+90, 000, 000	-----
Administrative expense limitation-----					(45, 726, 000)	(48, 316, 000)	(47, 500, 000)	(+1, 774, 000)	(-\$816, 000)
Total, corporations-----					2, 670, 134, 000	2, 969, 525, 000	2, 969, 525, 000	+299, 391, 000	-----

See footnotes at end of table, p. 45.

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE IV—RELATED AGENCIES

Item	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in bill for 1962	Bill compared with—	
				1961 appropriations	1962 estimates
Farm Credit Administration: Administrative expense limitation-----	(\$2, 589, 000)	(\$2, 590, 000)	(\$2, 590, 000)	(+\$1, 000)	-----
Department of Interior: Grain for migratory waterfowl-----	(7)	35, 000	35, 000	+35, 000	-----
Total, related agencies-----	-----	35, 000	35, 000	+35, 000	-----

SUMMARY OF THE BILL

Advance appropriations (fiscal year 1962):					
Title I—Regular activities-----	\$1, 358, 147, 100	\$1, 409, 835, 000	\$1, 379, 006, 000	+\$20, 858, 900	—\$30, 829, 000
Title II—Foreign assistance programs (to put on pay-as-you-go basis)-----	-----	1, 709, 849, 000	1, 600, 000, 000	+1, 600, 000, 000	—109, 849, 000
Title IV—Related agencies-----	-----	35, 000	35, 000	+35, 000	-----
Total-----	1, 358, 147, 100	3, 119, 719, 000	2, 979, 041, 000	+1, 620, 893, 900	—140, 678, 000
Restoration of CCC funds expended for prior year operations:					
Title III:					
Price support program-----	{ 1, 226, 500, 000 (1959 costs)	1, 017, 610, 000 (1960 costs)	1, 017, 610, 000 }	—208, 890, 000	-----

Foreign assistance and other programs financed by CCC at direction of Congress-----	{ 1, 443, 634, 000 (1960 costs)	1, 951, 915, 000 (1961 costs)	} 1, 951, 915, 000	+ 508, 281, 000	-----
Total-----	2, 670, 134, 000	2, 969, 525, 000	2, 969, 525, 000	+ 299, 391, 000	-----
Total in bill-----	4, 028, 281, 100	6, 089, 244, 000	5, 948, 566, 000	+ 1, 920, 284, 900	-- 140, 678, 000

¹ Adjusted for comparability to reflect changes in organization and appropriation structure.
² Includes \$2,813,000 for grading and classing activities formerly financed through Commodity Credit Corporation. \$1,264,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.
³ In addition, transfers of \$45,000,000 from sec. 32 funds provided.
⁴ In addition, transfers of \$3,117,000 from sec. 32 funds provided.
⁵ Amounts carried for comparative purposes only. Funds provided under title III for reimbursement to Commodity Credit Corporation.
⁶ These funds for fiscal year 1962, through June 30, 1962, carried for first time as advance appropriations.
⁷ \$13,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.

○

Union Calendar No. 174

87TH CONGRESS
1ST SESSION

H. R. 7444

[Report No. 448]

IN THE HOUSE OF REPRESENTATIVES

JUNE 2, 1961

MR. WHITTEN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the Depart-
- 5 ment of Agriculture and related agencies for the fiscal
- 6 year ending June 30, 1962; namely:

DEPARTMENT OF AGRICULTURE

TITLE I—REGULAR ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, and home economics, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two, of which one shall be for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$15,000, except for five buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal

1 year shall not exceed \$5,000 or 5 per centum of the cost of
2 the building, whichever is greater: *Provided further*, That
3 the limitations on alterations contained in this Act shall not
4 apply to a total of \$50,000 for conversion of animal disease
5 and parasite research facilities at Beltsville, Maryland:

6 Research: For research and demonstrations on the pro-
7 duction and utilization of agricultural products, home
8 economics, and related research and services, including ad-
9 ministration of payments to State agricultural experiment
10 stations, \$76,558,000: *Provided*, That the limitations con-
11 tained herein shall not apply to replacement of buildings
12 needed to carry out the Act of April 24, 1948 (21 U.S.C.
13 113a): *Provided further*, That the Secretary of Agriculture
14 may sell the Entomology Research Laboratory at Orlando,
15 Florida, in such manner and upon such terms and conditions
16 as he deems advantageous and the proceeds of such sale shall
17 remain available until expended for the establishment of an
18 entomology research laboratory: *Provided further*, That in
19 the establishment of such laboratory the Secretary may
20 acquire land therefor by donation or exchange;

21 Plant and animal disease and pest control: For opera-
22 tions and measures, not otherwise provided for, to control
23 and eradicate pests and plant and animal diseases and for
24 carrying out assigned inspection, quarantine, and regulatory
25 activities, as authorized by law, including expenses pursu-

1 ant to the Act of February 28, 1947, as amended (21
2 U.S.C. 114b-c), \$55,165,000, of which \$1,500,000
3 shall be apportioned for use pursuant to section 3679 of
4 the Revised Statutes, as amended, for the control of out-
5 breaks of insects and plant diseases to the extent neces-
6 sary to meet emergency conditions: *Provided*, That no funds
7 shall be used to formulate or administer a brucellosis eradi-
8 cation program for fiscal year 1963 that does not require
9 minimum matching by any State of at least 40 per centum:
10 *Provided further*, That the Secretary is authorized to ac-
11 quire land for the plant pest control activities presently
12 located at Gulfport, Mississippi;

13 Meat inspection: For carrying out the provisions of
14 laws relating to Federal inspection of meat, and meat-food
15 products, and the applicable provisions of the laws relat-
16 ing to process or renovated butter, \$24,216,000.

17 Special fund: To provide for additional labor to be
18 employed under contracts and cooperative agreements to
19 strengthen the work at research installations in the field,
20 not more than \$1,000,000 of the amount appropriated under
21 this head for the fiscal year 1961 may be used by the
22 Administrator of the Agricultural Research Service in de-
23 partmental research programs in the fiscal year 1962, the

1 amount so used to be transferred to and merged with the
2 appropriation otherwise available under "Salaries and
3 expenses, Research".

4 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
5 PROGRAM)

6 For purchase of foreign currencies which accrue under
7 title I of the Agricultural Trade Development and Assist-
8 ance Act of 1954, as amended (7 U.S.C. 1704), for market
9 development research authorized by section 104 (a), and for
10 agricultural and forestry research authorized by section 104
11 (k) of that Act, to remain available until expended, \$5,-
12 265,000: *Provided*, That funds appropriated herein shall be
13 used to purchase such foreign currencies as the Department
14 determines are needed and can be used most effectively to
15 carry out the purposes of this paragraph, and such foreign
16 currencies shall, pursuant to the provisions of section 104
17 (a), be set aside for sale to the Department before foreign
18 currencies which accrue under said title I are made avail-
19 able for other United States uses.

20 CONSTRUCTION OF FACILITIES

21 For construction of facilities and acquisition of the neces-
22 sary land therefor by donation or exchange, \$800,000, to
23 remain available until expended.

1 STATE EXPERIMENT STATIONS

2 Payments to States and Puerto Rico: For payments to
3 agricultural experiment stations to carry into effect the pro-
4 visions of the Hatch Act, approved March 2, 1887, as
5 amended by the Act approved August 11, 1955 (7 U.S.C.
6 361a-361i), including administration by the United States
7 Department of Agriculture, \$34,053,000; and payments au-
8 thorized under section 204 (b) of the Agricultural Marketing
9 Act, the Act approved August 14, 1946 (7 U.S.C. 1623),
10 \$500,000; in all, \$34,553,000.

11 Penalty mail: For penalty mail costs of agricultural
12 experiment stations under section 6 of the Hatch Act of
13 1887, as amended, \$250,000.

14 DISEASES OF ANIMALS AND POULTRY

15 Eradication activities: For expenses necessary in the
16 arrest and eradication of foot-and-mouth disease, rinderpest,
17 contagious pleuropneumonia, or other contagious or infec-
18 tious diseases of animals, or European fowl pest and similar
19 diseases in poultry, and for foot-and-mouth disease and rin-
20 derpest programs undertaken pursuant to the provisions of
21 the Act of February 28, 1947, as amended, and the Act of
22 May 29, 1884, as amended (7 U.S.C. 391; 21 U.S.C. 111-
23 122), including expenses in accordance with section 2 of
24 said Act of February 28, 1947, the Secretary may transfer
25 from other appropriations or funds available to the bureaus,

1 corporations, or agencies of the Department such sums as he
 2 may deem necessary, to be available only in an emergency
 3 which threatens the livestock or poultry industry of the
 4 country, and any unexpended balances of funds transferred
 5 under this head in the next preceding fiscal year shall be
 6 merged with such transferred amounts: *Provided*, That this
 7 appropriation shall be subject to applicable provisions con-
 8 tained in the item "Salaries and expenses, Agricultural Re-
 9 search Service".

10 EXTENSION SERVICE

11 COOPERATIVE EXTENSION WORK, PAYMENTS AND

12 EXPENSES

13 Payments to States and Puerto Rico: For payments for
 14 cooperative agricultural extension work under the Smith-
 15 Lever Act, as amended by the Act of June 26, 1953 (7
 16 U.S.C. 341-348), and the Act of August 11, 1955 (7
 17 U.S.C. 347a), \$57,220,000; and payments and contracts
 18 for such work under section 204(b)-205 of the Agricul-
 19 tural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,-
 20 570,000; in all, \$58,790,000: *Provided*, That funds hereby
 21 appropriated pursuant to section 3(c) of the Act of June 26,
 22 1953, shall not be paid to any State or Puerto Rico prior to
 23 availability of an equal sum from non-Federal sources for
 24 expenditure during the current fiscal year.

25 Retirement costs for extension agents: For cost of em-

1 ployer's share of Federal retirement for cooperative extension
2 employees, \$6,260,000.

3 Penalty mail: For costs of penalty mail for cooperative
4 extension agents and State extension directors, \$2,490,000.

5 Federal Extension Service: For administration of the
6 Smith-Lever Act, as amended by the Act of June 26, 1953
7 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7
8 U.S.C. 347a), and extension aspects of the Agricultural
9 Marketing Act of 1946 (7 U.S.C. 1621-1627), and to co-
10 ordinate and provide program leadership for the extension
11 work of the Department and the several States and insular
12 possessions, \$2,452,000.

13 FARMER COOPERATIVE SERVICE

14 SALARIES AND EXPENSES

15 For necessary expenses to carry out the Act of July 2,
16 1926 (7 U.S.C. 451-457), \$657,000.

17 SOIL CONSERVATION SERVICE

18 CONSERVATION OPERATIONS

19 For necessary expenses for carrying out the provisions
20 of the Act of April 27, 1935 (16 U.S.C. 590a-590f),
21 including preparation of conservation plans and establish-
22 ment of measures to conserve soil and water (including
23 farm irrigation and land drainage and such special measures
24 as may be necessary to prevent floods and the siltation of
25 reservoirs); operation of conservation nurseries; classifica-

1 tion and mapping of soils; dissemination of information;
2 purchase and erection or alteration of permanent buildings;
3 and operation and maintenance of aircraft, \$89,725,000:
4 *Provided*, That the cost of any permanent building pur-
5 chased, erected, or as improved, exclusive of the cost of
6 constructing a water supply or sanitary system and connect-
7 ing the same to any such building and with the exception of
8 buildings acquired in conjunction with land being purchased
9 for other purposes, shall not exceed \$2,500, except for eight
10 buildings to be constructed or improved at a cost not to ex-
11 ceed \$15,000 per building and except that alterations or im-
12 provements to other existing permanent buildings costing
13 \$2,500 or more may be made in any fiscal year in an amount
14 not to exceed \$500 per building: *Provided further*, That no
15 part of this appropriation shall be available for the construc-
16 tion of any such building on land not owned by the Govern-
17 ment: *Provided further*, That no part of this appropriation
18 may be expended for soil and water conservation operations
19 under the Act of April 27, 1935 (16 U.S.C. 590a-590f),
20 in demonstration projects: *Provided further*, That not to
21 exceed \$5,000 may be used for employment pursuant to the
22 second sentence of section 706 (a) of the Organic Act of
23 1944 (5 U.S.C. 574), as amended by section 15 of the Act
24 of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That

1 qualified local engineers may be temporarily employed at per
2 diem rates to perform the technical planning work of the
3 service.

4 WATERSHED PROTECTION

5 For expenses necessary to conduct surveys, investiga-
6 tions, and research and to carry out preventive measures, in-
7 cluding, but not limited to, engineering operations, methods
8 of cultivation, the growing of vegetation, and changes in use
9 of land, in accordance with the Watershed Protection and
10 Flood Prevention Act, approved August 4, 1954, as
11 amended (16 U.S.C. 1001-1008), and the provisions of the
12 Act of April 27, 1935 (16 U.S.C. 590a-f), to remain avail-
13 able until expended, \$53,787,000, with which shall be
14 merged the unexpended balances of funds heretofore appro-
15 priated or transferred to the Department for watershed pro-
16 tection purposes: *Provided*, That not to exceed \$100,000
17 may be used for employment pursuant to the second sen-
18 tence of section 706 (a) of the Organic Act of 1944 (5
19 U.S.C. 574), as amended by section 15 of the Act of
20 August 2, 1946 (5 U.S.C. 55a): *Provided further*,
21 That not to exceed \$2,500,000, together with the unobligated
22 balance of funds previously appropriated for loans and re-
23 lated expense, shall be available for such purposes.

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 74 Stat. 131), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), to remain available until expended, \$25,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

1 GREAT PLAINS CONSERVATION PROGRAM

2 For necessary expenses to carry into effect a program of
3 conservation in the Great Plains area, pursuant to section 16
4 (b) of the Soil Conservation and Domestic Allotment Act,
5 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
6 \$10,168,000, to remain available until expended.

7 ECONOMIC RESEARCH SERVICE

8 SALARIES AND EXPENSES

9 For necessary expenses of the Economic Research Serv-
10 ice in conducting economic research and service relating to
11 agricultural production, marketing, and distribution, as
12 authorized by the Agricultural Marketing Act of 1946 (7
13 U.S.C. 1621-1627), and other laws, including economics of
14 marketing; analyses relating to farm prices, income and
15 population, and demand for farm products, use of resources
16 in agriculture, adjustments, costs and returns in farming,
17 and farm finance; and for analyses of supply and demand for
18 farm products in foreign countries and their effect on pros-
19 pects for United States exports, progress in economic de-
20 velopment and its relation to sales of farm products, assembly
21 and analysis of agricultural trade statistics and analysis of in-
22 ternational financial and monetary programs and policies as
23 they affect the competitive position of United States farm
24 products; \$9,049,000: *Provided*, That not less than

1 \$350,000 of the funds contained in this appropriation shall
2 be available to continue to gather statistics and conduct a
3 special study on the price spread between the farmer and
4 consumer: *Provided further*, That not to exceed \$75,000
5 of the appropriation shall be available for employment pur-
6 suant to the second sentence of section 706 (a) of the Organic
7 Act of 1944 (5 U.S.C. 574) as amended by section 15 of
8 the Act of August 2, 1946 (5 U.S.C. 55a) : *Provided fur-*
9 *ther*, That not less than \$145,000 of the funds contained in
10 this appropriation shall be available for analysis of statistics
11 and related facts on foreign production and full and complete
12 information on methods used by other countries to move farm
13 commodities in world trade on a competitive basis.

14 STATISTICAL REPORTING SERVICE

15 SALARIES AND EXPENSES

16 For necessary expenses of the Statistical Reporting
17 Service in conducting statistical reporting and service work,
18 including crop and livestock estimates, statistical coordina-
19 tion and improvements, and marketing surveys, as author-
20 ized by the Agricultural Marketing Act of 1946 (7 U.S.C.
21 1621-1627) and other laws, \$8,688,000: *Provided*, That
22 no part of the funds herein appropriated shall be available
23 for any expense incident to publishing estimates of apple
24 production for other than the commercial crop.

1 AGRICULTURAL MARKETING SERVICE

2 MARKETING RESEARCH AND SERVICE

3 For expenses necessary to carry on research and service
4 to improve and develop marketing and distribution relating
5 to agriculture as authorized by the Agricultural Marketing
6 Act of 1946 (7 U.S.C. 1621-1627) and other laws, includ-
7 ing the administration of marketing regulatory acts con-
8 nected therewith: *Provided*, That appropriations hereunder
9 shall be available pursuant to 5 U.S.C. 565a for the con-
10 struction, alteration, and repair of buildings and improve-
11 ments, but unless otherwise provided, the cost of erecting
12 any one building shall not exceed \$15,000, except for two
13 buildings to be constructed or improved at a cost not to
14 exceed \$30,000 each, and the cost of altering any one build-
15 ing during the fiscal year shall not exceed \$5,000 or 5 per
16 centum of the cost of the building, whichever is greater:

17 Marketing research: For research and development re-
18 lating to agricultural marketing and distribution, including
19 related cost and efficiency evaluations, \$4,515,000;

20 Marketing services: For services relating to agricul-
21 tural marketing and distribution, for carrying out regula-
22 tory acts connected therewith, and for administration
23 and coordination of payments to States, \$33,187,000, in-
24 cluding not to exceed \$25,000 for employment at rates not
25 to exceed \$50 per diem, except for employment in rate cases

1 at not to exceed \$100 per diem, pursuant to the second sen-
2 tence of section 706 (a) of the Organic Act of 1944 (5
3 U.S.C. 574) , as amended by section 15 of the Act of August
4 2, 1946 (5 U.S.C. 55a) , in carrying out section 201 (a)
5 to 201 (d) , inclusive, of title II of the Agricultural Adjust-
6 ment Act of 1938 (7 U.S.C. 1291) and section 203 (j) of
7 the Agricultural Marketing Act of 1946.

8 PAYMENTS TO STATES AND POSSESSIONS

9 For payments to departments of agriculture, bureaus
10 and departments of markets, and similar agencies for mar-
11 keting activities under section 204 (b) of the Agricul-
12 tural Marketing Act of 1946 (7 U.S.C. 1623 (b)) ,
13 \$1,400,000.

14 SCHOOL LUNCH PROGRAM

15 For necessary expenses to carry out the provisions of the
16 National School Lunch Act (42 U.S.C. 1751-1760) ,
17 \$125,000,000: *Provided*, That no part of this appropriation
18 shall be used for nonfood assistance under section 5 of
19 said Act: *Provided further*, That \$45,000,000 shall be
20 transferred to this appropriation from funds available under
21 section 32 of the Act of August 24, 1935, for purchase
22 and distribution of agricultural commodities and other foods
23 pursuant to section 6 of the National School Lunch Act: *Pro-*
24 *vided further*, That for the purpose of providing additional
25 assistance based on program participation and needs in the

1 States as may be necessary to aid in meeting the nutritional
2 and other requirements of section 9 of the National School
3 Lunch Act (7 U.S.C. 1758), not to exceed \$10,000,000 of
4 this appropriation shall be available for assistance under sec-
5 tions 4 and 10 of that Act (42 U.S.C. 1753-1754) under
6 such regulations as the Secretary may prescribe and without
7 regard to provisions of that Act governing the apportionment
8 of funds.

9 FOREIGN AGRICULTURAL SERVICE

10 SALARIES AND EXPENSES

11 For necessary expenses for the Foreign Agricultural
12 Service, including carrying out title VI of the Agricultural
13 Act of 1954 (7 U.S.C. 1761-1768), market development
14 activities abroad, and for enabling the Secretary to coordi-
15 nate and integrate activities of the Department in connection
16 with foreign agricultural work, including not to exceed
17 \$30,000 for representation allowances and for expenses
18 pursuant to section 8 of the Act approved August 3,
19 1956 (7 U.S.C. 1766), \$12,457,000: *Provided*, That not
20 less than \$255,000 of the funds contained in this appro-
21 priation shall be available to obtain statistics and related
22 facts on foreign production and full and complete infor-
23 mation on methods used by other countries to move farm
24 commodities in world trade on a competitive basis: *Provided*
25 *further*, That, in addition, not to exceed \$3,117,000 of the

1 funds appropriated by section 32 of the Act of August 24,
2 1935, as amended (7 U.S.C. 612c), shall be merged with
3 this appropriation and shall be available for all expenses
4 of the Foreign Agricultural Service.

5 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
6 PROGRAM)

7 For purchase of foreign currencies which accrue under
8 title I of the Agricultural Trade Development and Assistance
9 Act of 1954, as amended (7 U.S.C. 1704), for the purposes
10 of market development activities under section 104 (a) of
11 that Act, \$3,444,000, to remain available until expended:
12 *Provided*, That funds appropriated herein shall be used to
13 purchase such foreign currencies as the Department deter-
14 mines are needed and can be used most effectively to carry
15 out the purposes of this paragraph, and such foreign curren-
16 cies shall, pursuant to the provisions of section 104 (a), be
17 set aside for sale to the Department before foreign currencies
18 which accrue under said title I are made available for other
19 United States uses.

20 COMMODITY EXCHANGE AUTHORITY

21 SALARIES AND EXPENSES

22 For necessary expenses to carry into effect the pro-
23 visions of the Commodity Exchange Act, as amended (7
24 U.S.C. 1-17a), \$1,000,000.

1 COMMODITY STABILIZATION SERVICE

2 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

3 For necessary expenses to formulate and carry out
4 acreage allotment and marketing quota programs pursu-
5 ant to provisions of title III of the Agricultural Adjust-
6 ment Act of 1938, as amended (7 U.S.C. 1301-1393),
7 \$44,098,000, of which not more than \$7,125,000 shall be
8 transferred to the appropriation account "Administrative ex-
9 penses, section 392, Agricultural Adjustment Act of 1938".

10 SUGAR ACT PROGRAM

11 For necessary expenses to carry into effect the pro-
12 visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
13 \$78,000,000, to remain available until June 30 of the next
14 succeeding fiscal year: *Provided*, That expenditures (in-
15 cluding transfers) from this appropriation for other than
16 payments to sugar producers shall not exceed \$2,350,000.

17 AGRICULTURAL CONSERVATION PROGRAM

18 For necessary expenses to carry into effect the program
19 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
20 Conservation and Domestic Allotment Act, approved
21 February 29, 1936, as amended (16 U.S.C. 590g-590 (o),
22 590p (a), and 590q), including not to exceed \$6,000 for
23 the preparation and display of exhibits, including such dis-
24 plays at State, interstate, and international fairs within the
25 United States, \$238,000,000, to remain available until De-

1 cember 31 of the next succeeding fiscal year for compliance
2 with the program of soil-building and soil- and water-con-
3 serving practices authorized under this head in the Depart-
4 ment of Agriculture and Farm Credit Administration
5 Appropriation Act, 1961, carried out during the period
6 July 1, 1960, to December 31, 1961, inclusive: *Provided*,
7 That not to exceed \$29,100,000 of the total sum provided
8 under this head shall be available during the current fiscal
9 year for administrative expenses for carrying out such pro-
10 gram, the cost of aerial photographs, however, not to be
11 charged to such limitation; but not more than \$5,750,000
12 shall be transferred to the appropriation account "Ad-
13 ministrative expenses, section 392, Agricultural Adjustment
14 Act of 1938": *Provided further*, That none of the funds
15 herein appropriated shall be used to pay the salaries or ex-
16 penses of any regional information employees or any State
17 information employees, but this shall not preclude the
18 answering of inquiries or supplying of information at the
19 county level to individual farmers: *Provided further*, That
20 such amounts shall be available for administrative expenses
21 in connection with the formulation and administration of
22 the 1962 program of soil-building and soil- and water-
23 conserving practices, under the Act of February 29, 1936,
24 as amended (amounting to \$250,000,000, including admin-
25 istration, and no participant shall receive more than \$2,500,

1 except where the participants from two or more farms or
2 ranches join to carry out approved practices designed to
3 conserve or improve the agricultural resources of the com-
4 munity) : *Provided further*, That no change shall be made
5 in such 1962 program which will have the effect in any
6 county of restricting eligibility requirements or cost-sharing
7 on practices included in either the 1958 or the 1959 pro-
8 grams, unless such change shall have been recommended by
9 the county committee and approved by the State committee:
10 *Provided further*, That not to exceed 5 per centum of the
11 allocation for the 1962 agricultural conservation program
12 for any county may, on the recommendation of such county
13 committee and approval of the State committee, be withheld
14 and allotted to the Soil Conservation Service for services of
15 its technicians in formulating and carrying out the agricul-
16 tural conservation program in the participating counties, and
17 shall not be utilized by the Soil Conservation Service for any
18 purpose other than technical and other assistance in such
19 counties, and in addition, on the recommendation of such
20 county committee and approval of the State committee, not
21 to exceed 1 per centum may be made available to any other
22 Federal, State, or local public agency for the same purpose
23 and under the same conditions: *Provided further*, That for
24 the 1962 program \$2,500,000 shall be available for technical

1 assistance in formulating and carrying out agricultural con-
2 servation practices and \$1,000,000 shall be available for
3 conservation practices related directly to flood prevention
4 work in approved watersheds: *Provided further*, That such
5 amounts shall be available for the purchase of seeds, ferti-
6 lizers, lime, trees, or any other farming material, or any
7 soil-terracing services, and making grants thereof to agricul-
8 tural producers to aid them in carrying out farming practices
9 approved by the Secretary under programs provided for
10 herein: *Provided further*, That no part of any funds avail-
11 able to the Department, or any bureau, office, corporation, or
12 other agency constituting a part of such Department, shall
13 be used in the current fiscal year for the payment of salary
14 or travel expenses of any person who has been convicted of
15 violating the Act entitled "An Act to prevent pernicious
16 political activities", approved August 2, 1939, as amended,
17 or who has been found in accordance with the provisions of
18 title 18, United States Code, section 1913, to have violated
19 or attempted to violate such section which prohibits the use
20 of Federal appropriations for the payment of personal serv-
21 ices or other expenses designed to influence in any manner
22 a Member of Congress to favor or oppose any legislation or
23 appropriation by Congress except upon request of any Mem-
24 ber or through the proper official channels.

1 SPECIAL AGRICULTURAL CONSERVATION PROGRAM

2 For necessary administrative expenses to carry into
3 effect a special agricultural conservation program pursuant
4 to section 16(c) of the Soil Conservation and Domestic
5 Allotment Act, as added by section 2 of the Act of March 22,
6 1961, \$15,000,000.

7 CONSERVATION RESERVE PROGRAM

8 For necessary expenses to carry out a conservation re-
9 serve program as authorized by subtitles B and C of the
10 Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and
11 1816), and to carry out liquidation activities for the acre-
12 age reserve program, to remain available until expended,
13 \$300,000,000, with which may be merged the unexpended
14 balances of funds heretofore appropriated for soil bank pro-
15 grams: *Provided*, That not to exceed \$12,500,000 shall
16 be available for administrative expenses, of which not less
17 than \$10,425,000 may be transferred to the appropria-
18 tion account "Local administration, section 388, Agricul-
19 tural Adjustment Act of 1938": *Provided further*, That
20 no part of these funds shall be paid on any contract which
21 is illegal under the law due to the division of lands for
22 the purpose of evading limits on annual payments to
23 participants.

1 FEDERAL CROP INSURANCE CORPORATION

2 OPERATING AND ADMINISTRATIVE EXPENSES

3 For operating and administrative expenses, \$6,561,000.

4 RURAL ELECTRIFICATION ADMINISTRATION

5 To carry into effect the provisions of the Rural Electri-
6 fication Act of 1936, as amended (7 U.S.C. 901-924),
7 as follows:

8 LOAN AUTHORIZATIONS

9 For loans in accordance with said Act, and for carry-
10 ing out the provisions of section 7 thereof, to be borrowed
11 from the Secretary of the Treasury in accordance with the
12 provisions of section 3 (a) of said Act, as follows: Rural
13 electrification program, \$125,000,000; and rural telephone
14 program, \$120,000,000; and additional amounts, not to
15 exceed \$70,000,000 for the rural electrification program
16 and \$30,000,000 for the rural telephone program, may be
17 borrowed under the same terms and conditions to the ex-
18 tent that such amount is required during the fiscal year
19 1962 under the then existing conditions for the expeditious
20 and orderly development of the rural electrification and
21 telephone programs.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$10,024,000.

FARMERS HOME ADMINISTRATION

To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1000-1031); the Farmers Home Administration Act of 1946 (7 U.S.C. 1001, note; 31 U.S.C. 82h; 12 U.S.C. 371; 35 D.C. Code 535; 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U.S.C. 436-439); the Act of August 28, 1937, as amended (16 U.S.C. 590r-590x-3), for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1483), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038), and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting

1 and servicing of credit sales and development accounts in
2 water conservation and utilization projects (53 Stat. 685,
3 719), as amended and supplemented (16 U.S.C. 590y, z—1
4 and z—10); and the Act to direct the Secretary of Agri-
5 culture to convey certain mineral interests, approved Sep-
6 tember 6, 1950 (7 U.S.C. 1033–1039), as follows:

7 LOAN AUTHORIZATIONS

8 For loans (including payments in lieu of taxes and taxes
9 under section 50 of the Bankhead-Jones Farm Tenant Act,
10 as amended, and advances incident to the acquisition and
11 preservation of security of obligations under the foregoing
12 several authorities, except that such advances under title V
13 of the Housing Act of 1949, as amended, shall be made from
14 funds obtained under section 511 of that Act, as amended):
15 Title I and section 43 of title IV of the Bankhead-Jones
16 Farm Tenant Act, as amended, \$31,900,000, of which not to
17 exceed \$2,500,000 may be distributed to States and terri-
18 tories without regard to farm population and prevalence
19 of tenancy, in addition to the amount otherwise distributed
20 thereto, for loans in reclamation projects and to entrymen on
21 unpatented public lands; title II of the Bankhead-Jones Farm
22 Tenant Act, as amended, \$225,000,000; the Act of August
23 28, 1937, as amended, \$3,000,000: *Provided*, That not to
24 exceed the foregoing several amounts shall be borrowed in
25 one account from the Secretary of the Treasury in accord-

1 ance with the provisions set forth under this head in the
 2 Department of Agriculture Appropriation Act, 1952: *Pro-*
 3 *vided further*, That an additional amount, not to exceed
 4 \$25,000,000, may be borrowed under the same terms and
 5 conditions to the extent that such amount is required during
 6 fiscal year 1962 under the then existing conditions for the
 7 expeditious and orderly conduct of the loan program under
 8 title II of the Bankhead-Jones Farm Tenant Act, as
 9 amended.

10 SALARIES AND EXPENSES

11 For making, servicing, and collecting loans and insured
 12 mortgages, the servicing and collecting of loans made under
 13 prior authority, the liquidation of assets transferred to Farm-
 14 ers Home Administration, and other administrative expenses,
 15 \$33,017,000, together with a transfer of not to exceed
 16 \$1,050,000 of the fees and administrative expense charges
 17 made available by subsections (d) and (e) of section 12
 18 of the Bankhead-Jones Farm Tenant Act, as amended (7
 19 U.S.C. 1005 (b)), and section 10 (c) of the Act of August
 20 28, 1937, as amended.

21 OFFICE OF THE GENERAL COUNSEL

22 SALARIES AND EXPENSES

23 For necessary expenses, including payment of fees or
 24 dues for the use of law libraries by attorneys in the field
 25 service, \$3,650,000.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For expenses of the Office of the Secretary of Agriculture; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, \$3,096,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by the Administrative Procedures Act (5 U.S.C. 1001).

OFFICE OF INFORMATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,584,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the

1 Senators, Representatives, and Delegates in Congress, as
2 they shall direct (7 U.S.C. 417), and not less than two
3 hundred and thirty-three thousand and fifty copies for the
4 use of the Senate and House of Representatives of part 2
5 of the annual report of the Secretary (known as the Year-
6 book of Agriculture) as authorized by section 73 of the
7 Act of January 12, 1895 (44 U.S.C. 241): *Provided*,
8 That in the preparation of motion pictures or exhibits by
9 the Department, not exceeding a total of \$10,000 may be
10 used for employment pursuant to the second sentence of
11 section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574),
12 as amended by section 15 of the Act of August 2, 1946
13 (5 U.S.C. 55a).

14 CENTENNIAL OBSERVANCE OF AGRICULTURE

15 SALARIES AND EXPENSES

16 For expenses necessary for planning, promoting, coordi-
17 nating, and assisting participation by industry, trade associa-
18 tions, commodity groups, and similar interests in the celebra-
19 tion of the centennial of the establishment of the Department
20 of Agriculture; expenses of an honorary committee estab-
21 lished in connection with such celebration; and em-
22 ployment pursuant to section 706 (a) of the Organic Act
23 of 1944 (5 U.S.C. 574), as amended by section 15 of the

1 Act of August 2, 1946 (5 U.S.C. 55a) ; \$100,000, to re-
2 main available until December 31, 1962.

3 LIBRARY

4 SALARIES AND EXPENSES

5 For necessary expenses, including dues for library mem-
6 bership in societies or associations which issue publications
7 to members only or at a price to members lower than to sub-
8 scribers who are not members, \$1,000,000.

9 TITLE II—FOREIGN ASSISTANCE PROGRAMS

10 PUBLIC LAW 480

11 For expenses during fiscal year 1962, not otherwise
12 recoverable, under the Agricultural Trade Development and
13 Assistance Act of 1954, as amended (7 U.S.C. 1701–1709,
14 1721–1724, 1731–1736) , to remain available until expended,
15 as follows: (1) Sale of surplus agricultural commodities for
16 foreign currencies pursuant to title I of said Act, \$1,250,-
17 451,000; (2) commodities disposed of for emergency famine
18 relief to friendly peoples pursuant to title II of said Act,
19 \$140,868,000; and (3) long-term supply contracts pursuant
20 to title IV of said Act, \$13,000,000.

21 INTERNATIONAL WHEAT AGREEMENT

22 For expenses during fiscal year 1962 under the Interna-
23 tional Wheat Agreement Act of 1949, as amended (7 U.S.C.

1 1641-1642), \$70,681,000, to remain available until ex-
2 pended.

3 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

4 For expenses during fiscal year 1962 related to strategic
5 and other materials acquired as a result of barter or exchange
6 of agricultural commodities or products and transferred to
7 the supplemental stockpile pursuant to Public Law 540,
8 Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000,
9 to remain available until expended.

10 TITLE III—CORPORATIONS

11 The following corporations and agencies are hereby
12 authorized to make such expenditures, within the limits of
13 funds and borrowing authority available to each such cor-
14 poration or agency and in accord with law, and to make
15 such contracts and commitments without regard to fiscal
16 year limitations as provided by section 104 of the Govern-
17 ment Corporation Control Act, as amended, as may be neces-
18 sary in carrying out the programs set forth in the budget
19 for the fiscal year 1962 for such corporation or agency, ex-
20 cept as hereinafter provided:

21 FEDERAL CROP INSURANCE CORPORATION FUND

22 Not to exceed \$2,830,000 of administrative and operat-
23 ing expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

RESTORATION OF CAPITAL IMPAIRMENT

To partially restore the capital impairment of the Commodity Credit Corporation determined by the appraisal of June 30, 1960, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U.S.C. 713a-1), \$1,017,610,000.

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
FOR COSTS OF FOREIGN ASSISTANCE AND OTHER
SPECIAL ACTIVITIES

To reimburse the Commodity Credit Corporation for authorized unrecovered costs through June 30, 1961 (including interest through date of recovery), as follows: (1) \$88,790,000 under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642); (2) \$255,685,000 for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of the Act of July 10, 1954, as amended (7 U.S.C. 1703, 1721-1724); (3) \$1,353,000,000 for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of the Act of July 10, 1954, as amended (7 U.S.C. 1701-1709); (4) \$13,000 for grain made available to the Secretary of the Interior to prevent crop damage by migratory waterfowl pursuant to the Act of July 3, 1956

1 (7 U.S.C. 442-445) ; (5) \$163,163,000 for strategic and
2 other materials acquired by the Commodity Credit Cor-
3 poration as a result of barter or exchange of agricultural
4 commodities or products and transferred to the supplemental
5 stockpile pursuant to Public Law 540, Eighty-fourth Con-
6 gress (7 U.S.C. 1856) ; (6) \$1,264,000 for transfers to the
7 appropriation "Marketing research and service" pursuant
8 to the Act of August 31, 1951 (7 U.S.C. 414a) , for grad-
9 ing tobacco and classing cotton without charge to pro-
10 ducers, as authorized by law (7 U.S.C. 473a, 511d) :
11 *Provided*, That the appropriations provided in this para-
12 graph shall be immediately available: *Provided further*,
13 That the unexpended balances of funds heretofore provided
14 for the various purposes under this head may remain avail-
15 able until expended for the purposes for which appropriated
16 and may be merged with the funds provided in this
17 paragraph.

18 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
19 FOR COSTS OF SPECIAL MILK PROGRAM

20 To reimburse the Commodity Credit Corporation for
21 amounts advanced for the fiscal year beginning July 1, 1960,
22 for the special milk program for children pursuant to the Act
23 of July 1, 1958, as amended (72 Stat. 276; 74 Stat. 84-
24 85) , \$90,000,000.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$47,500,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

1 TITLE IV—RELATED AGENCIES

2 FARM CREDIT ADMINISTRATION

3 LIMITATION ON ADMINISTRATIVE EXPENSES

4 Not to exceed \$2,590,000 (from assessments collected
5 from farm credit agencies) shall be obligated during the cur-
6 rent fiscal year for administrative expenses.

7 FEDERAL FARM MORTGAGE CORPORATION FUND

8 The Federal Farm Mortgage Corporation is authorized
9 to make such expenditures, within available funds and in
10 accordance with law, as may be necessary to liquidate its
11 assets: *Provided*, That funds realized from the liquidation
12 of assets which are determined by the Board of Directors
13 to be in excess of the requirements for expenses of liquida-
14 tion shall be declared as dividends which shall be paid into
15 the general fund of the Treasury.

16 DEPARTMENT OF INTERIOR

17 GRAIN FOR MIGRATORY WATERFOWL

18 For expenses of supplying grain to the Secretary of the
19 Interior to prevent crop damage by migratory waterfowl pur-
20 suant to the Act of July 3, 1956 (7 U.S.C. 442-445),
21 \$35,000, to remain available until expended.

22 TITLE V—GENERAL PROVISIONS

23 SEC. 501. Within the unit limit of cost fixed by law, ap-
24 propriations and authorizations made for the Department
25 under this Act shall be available for the purchase, in addition

1 to those specifically provided for, of not to exceed three
2 hundred and ninety-eight passenger motor vehicles, of which
3 three hundred and eighty-five shall be for replacement only,
4 and for the hire of such vehicles.

5 SEC. 502. Provisions of law prohibiting or restricting the
6 employment of aliens shall not apply to employment under
7 the appropriation for the Foreign Agricultural Service.

8 SEC. 503. Funds available to the Department of Agri-
9 culture shall be available for uniforms or allowances therefor
10 as authorized by the Act of September 1, 1954, as amended
11 (5 U.S.C. 2131).

12 SEC. 504. No part of the funds appropriated by this Act
13 shall be used for the payment of any officer or employee of
14 the Department who, as such officer or employee, or on be-
15 half of the Department or any division, commission, or
16 bureau thereof, issues, or causes to be issued, any prediction,
17 oral or written, or forecast, except as to damage threatened
18 or caused by insects and pests, with respect to future prices
19 of cotton or the trend of same.

20 SEC. 505. Except to provide materials required in or
21 incident to research or experimental work where no suitable
22 domestic product is available, no part of the funds appro-
23 priated by this Act shall be expended in the purchase of
24 twine manufactured from commodities or materials produced
25 outside of the United States.

1 SEC. 506. Not less than \$1,500,000 of the appropria-
 2 tions of the Department for research and service work
 3 authorized by the Acts of August 14, 1946, July 28, 1954,
 4 and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42
 5 U.S.C. 1891-1893), shall be available for contracting in
 6 accordance with said Acts.

7 This Act may be cited as the "Department of Agricul-
 8 ture and Related Agencies Appropriation Act, 1962".

87TH CONGRESS
1ST Session

H. R. 7444

[Report No. 448]

A BILL

Making appropriations for the Department of
Agriculture and related agencies for the
fiscal year ending June 30, 1962, and for
other purposes.

By **Mr. WHITTEN**

JUNE 2, 1961

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

Issued June 7, 1961
For actions of June 6, 1961
87th-1st, No. 94

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HIGHLIGHTS: House passed agricultural appropriation bill. Senate began debate on Interior appropriation bill. House subcommittee voted to report bill to extend Wool Act. Senate debated housing bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1962. By a vote of 318 to 65, passed with amendments this bill, H. R. 7444. pp. 8912-61

Agreed to the following amendments:

By Rep. Fisher to provide that the Secretary may acquire approximately thirty-five acres of land at Kerrville, Texas, by donation, for research purposes. p. 8953

By Rep. Reuss, 107 to 65, to reduce the advance authorization for the agricultural conservation program from \$250 million to \$150 million (pp. 8953-6). This amendment was later rejected by a roll call vote of 196 to 184 (pp. 8959-60).

Rejected the following amendments:

By Rep. Reuss, 98 to 26, to eliminate the provision in the ACP language which prohibits changing the eligibility requirements or cost-sharing practices in the 1962 program from those which were in existence in the 1958 or 1959 program. pp. 8956-7

By Rep. Hoffman to eliminate the \$1 million for the library. pp. 8957-8

A point of order by Rep. Hoffman was sustained against the provision for salaries and expenses for the centennial observance of Agriculture on the basis that it constituted legislation on an appropriation bill, so the provision was struck from the bill. p. 8957

A point of order by Rep. Whitten was sustained against a proposed amendment by Rep. Avery to provide that no funds appropriated shall be used to process CCC loans which are in excess of \$50,000, so the amendment was not considered. pp. 8958-9

2. APPROPRIATIONS. As reported (see Digest 93), the independent offices appropriation bill, H. R. 7445, includes items for the Office of Civil and Defense Mobilization, Civil Service Commission, General Accounting Office, General Services Administration, Housing and Home Finance Agency, Interstate Commerce Commission, National Science Foundation, Selective Service System, and Veterans Administration. The committee report includes statements as follows:

"Civil defense and defense mobilization functions of Federal agencies.--The Committee recommends an appropriation of \$6,567,000 for allocation to other Federal agencies for carrying out delegations of authority from OCDM. This is a reduction of \$2,133,000 in the \$8,700,000 budget estimate and is the same amount as was provided for this purpose in 1961. It will support an average of 498 jobs in other agencies, which are in addition to the 1,600 in OCDM.

"Disaster relief.--The Committee has included the \$6,000,000 budget estimate for assistance to States and local governments in coping with major disasters as authorized by Public Law 875, 81st Congress. The unobligated balance is presently \$5,400,000 and it is estimated that it will be down to \$4,000,000 at the end of the fiscal year. The recommended appropriation will restore the fund to \$10,000,000 which is considered a minimum balance at the beginning of a fiscal year for this purpose.

"Increased payments from civil service retirement and disability fund for retired employees.--The Committee has approved the budget estimate of \$44,637,000 to reimburse the retirement fund for the 1962 cost of annuity increases provided to certain retired employees by Public Law 85-465. Legislation is pending to make the increased annuity rates permanent without being dependent on annual appropriations. The Committee wholeheartedly supports the legislation, but funds should be appropriated annually to reimburse the fund for the added expense because the fund is now \$32 billion insolvent. Language is included in the bill to require that the Bureau of the Budget submit annually to the Congress estimates of the appropriations necessary to make such reimbursement. The Committee on other occasions has expressed its concern about the fund's insolvency as the deficiency continues to increase."

3. WOOL. The Subcommittee on Livestock and Feed Grains of the Agriculture Committee voted to report to the full committee H. R. 3680, to extend the National Wool Act of 1954. p. D417
4. VIRGIN ISLANDS. Both Houses received from Interior a proposed bill "to amend section 17(a) of the Revised Organic Act of the Virgin Islands pertaining to the salary of the Government Comptroller;" to Interior and Insular Affairs Committee. pp. 8837, 8972
5. EDUCATION. Rep. Goodell inserted his minority views opposing H. R. 7300, to authorize a 3 year program of Federal aid to schools. pp. 8965-7

tion of this Act: *Provided*, That no part of the amount paid under this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5: strike out "\$1,876.52" and insert "\$1,526.52".

Page 1, line 9: strike out "12" and insert "13".

Page 1, line 10: strike out "12" and insert "23".

Page 2, lines 11-12: strike out "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTHONY ROBERT LOWRY (ANTONIO PIANTADOSI)

The clerk called the bill (H.R. 2973) for the relief of Anthony Robert Lowry (Antonio Piantadosi).

There being no objection, the clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Anthony Robert Lowry (Antonio Piantadosi) shall be held and considered to have been lawfully admitted to the United States for permanent resident as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 8, after the word "fee", strike out the period and the remainder of the bill and substitute in lieu thereof the following: "*Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID RILEY

The Clerk called the bill (H.R. 3101) for the relief of David Riley, lieutenant colonel, U.S. Marine Corps.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to David Riley, lieutenant colonel, United States

Marine Corps, First Marine Air Wing in Japan, the sum of \$8,553.98 in full satisfaction of his claim against the United States for reimbursement in addition to the amount he received under the provisions of title 10, United States Code, section 2732, as amended, for household and personal effects destroyed or damaged in June 1960 when the CM and L Moving and Storage Company warehouse in which such effects were stored in Brooklyn, New York, was inundated by a fire: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 7, strike out "\$8,553.98" and insert "\$3,783.32".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MANUEL MARTINEZ-LOPEZ

The Clerk called the bill (H.R. 4557) for the relief of Manuel Martinez-Lopez.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Manuel Martinez-Lopez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORA M. HAMMOND

The Clerk called the bill (H.R. 4565) for the relief of Nora M. Hammond.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Nora M. Hammond, Trotwood, Ohio, is hereby relieved of all liability to repay to the United States a sum of \$323.14, which was erroneously paid to her by the Department of the Air Force as salary between October 30, 1955, and May 24, 1959.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, any amounts refunded by reason of the liability referred to in section 1 of this Act by the said Nora M. Hammond, or any amounts withheld by the United States from money otherwise due her. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the

amount for which liability is relieved by this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REAR ADM. CARL H. COTTER

The Clerk called the bill (H.R. 4639) for the relief of Rear Adm. Carl H. Cotter.

'There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Rear Admiral Carl H. Cotter, United States Navy, retired, is relieved of liability to pay to the United States the sum of \$27,917.94, which amount represents the total of overpayments of retired pay during the period beginning May 1, 1956, and ending July 31, 1959, while the said Carl H. Cotter was president of the Capitol Construction Company and that company was engaged in certain contract work for the United States. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for any amount for which liability is relieved by this section.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rear Admiral Carl H. Cotter, United States Navy, retired, the amount certified to him by the Secretary of the Navy as the sum of the amounts withheld from him by the United States on account of the liability referred to in the first section of this Act. The payment of such sum shall be in full settlement of all claims of the said Carl H. Cotter against the United States for amounts withheld from his retired pay on account of the liability referred to in the first section of this Act: *Provided*, That no part of the amount appropriated in this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NISSIM S. TAWIL AND FAMILY

The Clerk called the bill (H.R. 6452) for the relief of Nissim S. Tawil, Esther Tawil (nee Goldman), Solomn Tawil, Isaac Tawil, Kathy Tawil, Jacqueline Tawil, and Sarina Goldman.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Nissim S. Tawil, of Brooklyn, New York, is relieved of all liability and responsibility to the United States based upon departure bond numbered 231,307, issued April 8, 1949; and that Esther Tawil (nee Goldman), his wife, is relieved of all liability and responsibility to the United States based upon departure bond numbered 229,618, issued October 1, 1948; and that Solomn Tawil, his son, is relieved of all liability and responsibility to the United States based upon departure bond

numbered 231,308, issued April 8, 1949; and that Kathy Tawll, his daughter, is relieved of all liability and responsibility to the United States based upon departure bond numbered 229,621, issued October 1, 1948; and that Jacqueline Tawll, his daughter, is relieved of all liability and responsibility to the United States based upon departure bond numbered 229,620, issued October 1, 1948; and that Sarina Goldman, his daughter by adoption, is relieved of all liability and responsibility to the United States based upon departure bond numbered 231,309, issued October 1, 1948; and that Isaac Tawll, his son, is relieved of all liability and responsibility to the United States based upon departure bond numbered 229,619, issued October 1, 1948; and that each of said bonds is canceled as of the date of its execution.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EARL GUPTON

The Clerk called the bill (H.R. 6453) for the relief of Earl Gupton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to Earl Gupton, in full settlement of all claims against the United States. Such sum represents compensation for injuries sustained as the result of an accident while working in institution laundry on May 11, 1956, while an inmate of the United States prison, Atlanta, Georgia: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike out "\$5,000" and insert "\$2,277.34".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES H. STYPE

The Clerk called the bill (H.R. 6767) for the relief of Charles H. Stype.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles H. Stype, Pittsburgh, Pennsylvania, an employee of the postal field service, the sum of \$99. Such sum is the amount which the said Charles H. Stype was required to repay to the United States on account of the loss, on or about March 20, 1957, without fault on his part, of an equal amount which was in a contingent fund for expenses of

Motor Vehicle Service employees under his custody as administrative assistant, motor vehicle facility, Pittsburgh, Pennsylvania: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 2, line 3, strike out "in excess of 10 per centum thereof"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the Private Calendar.

COMMITTEE ON EDUCATION AND LABOR

Mr. HOLLAND. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during general debate this week.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CALL OF THE HOUSE

Mr. MARSHALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 68]

Adair	Green, Pa.	Pilcher
Bailey	Hall	Pirnie
Bennett, Mich.	Halleck	Powell
Blitch	Hardy	Rains
Boggs	Harsha	Roberts
Cahill	Hébert	St. Germain
Cramer	Hosmer	Schadeberg
Daniels	Jones, Ala.	Shelley
Davis, Tenn.	Kee	Sikes
Dominick	Kilburn	Spence
Dwyer	Knox	Taber
Evins	Mason	Teague, Tex.
Fallon	Morrow	Thompson, La.
Fino	Miller,	Utt
Fogarty	George P.	Walter
Grant	O'Hara, Mich.	Westland
Gray	O'Konski	Willis
Green, Oreg.	O'Neill	

The SPEAKER. On this rollcall 382 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee

on Interstate and Foreign Commerce may be permitted to sit today and tomorrow during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

SUBCOMMITTEE NO. 5 OF THE COMMITTEE ON THE JUDICIARY

Mr. WHITTEN. Mr. Speaker, at the request of the majority leader, I ask unanimous consent that Subcommittee No. 5 of the Committee on the Judiciary may be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 3 hours, one-half of the time to be controlled by the gentleman from Minnesota [Mr. ANDERSEN], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7444, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may take.

Mr. Chairman and Members of the Committee, once again it is my privilege to bring to you, as chairman of the committee handling agricultural appropriations, the annual Appropriation Act for the Department of Agriculture. May I say that I hope the Members will read the report that we have prepared. While these funds are identified as being funds which the Federal Government spends for agriculture, in reality these represent the funds which are spent in providing for the American people the basic necessities of life. Whatever we may learn and whatever we may do and however we may prosper, food, clothing, and shelter remain basic.

Mr. Chairman, in recent years we have heard much about our surpluses, and we have had large productions which are surplus to our domestic need. There are real reasons in regard to some of these commodities for us bringing together supply and demand. But, when we study the countries of the world and see how much more fortunate we are than they, when we see that the one place that Russia has not been able to touch us at all, it is in the production of agricultural crops. Truly, in spite of the high costs which we have had in recent years, because of overproduction in some areas, this wonderful job that American agriculture does and has done and can continue to do represents one of our chief strengths in these trying times.

For those of you who have looked at the report, you will see that this year for the first time we have tried to identify in our report and in our bill the various aspects of the appropriations which we make. We identify those appropriations which necessitate our committee having to pick up the tab after the funds have been expended under legislation which authorizes such expenditures. We attempt to show what has been done in the field of price support activities, and we show what part is storage, what part is transportation, and what part is interest, and so forth. So, as large as the amount of money in this bill may be, we have tried to let each program and fund stand on its own bottom by identifying the sums in this bill for what they really are.

One of the things that we face, those of us that handle agricultural appropriations and those on the legislative committees that have to deal with agriculture, is the fact that so frequently people fail to recognize that many, many things are carried in the Department of Agriculture bill which, in effect, are a part of our foreign policy and many sums are spent under legislation which authorized it, where, again, we just have to appropriate money after the fact.

With the enactment of the first farm price support program in 1933, Congress created the Commodity Credit Corporation. At that time it provided the Corporation with capital funds to enable it to make loans, buy and sell commodities, and conduct the normal business activities in connection therewith. These capital funds have been increased from time to time by the Congress to meet the needs of the various price support programs enacted through the years.

Price support is mandatory for the basic commodities and other commodities specifically designated by law. It is imperative, therefore, because of the unpredictable nature of the operations under the various price support programs, that the Commodity Credit Corporation have flexibility in the use of funds and adequate resources available at all times to meet the needs of the price support programs.

The financial ability of the Corporation to take supplies of a commodity off the market in whatever quantity necessary makes the price support program effective in encouraging orderly marketing. It removes the necessity for farm-

ers to rush their crops to market when prices are unfavorable.

If there were doubt of the ability of the Corporation to finance required operations, the price-support program would not prove effective in stabilizing prices and markets. Also, the inability of the Corporation to meet its financial obligations would adversely affect the willingness of banks, warehousemen, processors, and others to cooperate in price-support operations.

Over the years, Congress has recognized that flexibility in the Corporation's operations is indispensable to the proper conduct of the price-support programs for which the Congress established the Corporation and directed that it be so employed. Such flexibility is not only desirable but absolutely essential to successful operation of these programs.

However, in recent years the ability of the Corporation to fully use its financial resources for its primary purpose of price support has been seriously limited by charging the Corporation with the financing of special activities not originally contemplated to be within its functions.

With the passage of the International Wheat Agreement Act of 1949, the Corporation was called upon to finance this special program, subject to later reimbursement through appropriation action. Then in 1954, with the passage of the Agricultural Trade Development and Assistance Act (Public Law 480), Congress directed the Corporation to finance the overseas exportation of surplus agricultural commodities for foreign currencies and for emergency relief assistance, leaving the Corporation dependent upon reimbursement from subsequent appropriations. The financing of this program has had large amounts of Corporation funds tied up each year.

Further, legislation adopted in 1956 authorized the Corporation to transfer bartered materials acquired in exchange for agricultural commodities to the supplemental stockpile. It further provided for appropriations to reimburse for value of materials so transferred. Also the special milk program, which is now costing about \$90 million a year, is being financed by this Corporation in accord with basic law.

It is expected that by June 30, of this year, the Corporation will have available for price-support operations only \$815 million or less. If an unusual volume of price-support activities should develop suddenly, or if some new program should be undertaken, this balance would be entirely inadequate to meet the price-support demands which would result. In the opinion of a majority of the members of the committee, it is most unwise to attempt to operate this huge Corporation on this narrow margin, for the law requires price supports—but it prohibits expending funds where the capital assets are exhausted.

To help correct this situation, the 1962 budget proposed funds to reimburse Commodity Credit Corporation for the 1961 fiscal year costs of these various special programs which are not related to price-support operations. It also in-

cluded funds to finance "in advance" the cost of these programs during fiscal year 1962. This is a "doubling up" of appropriations in the appropriation bill for next year to place these programs on a "pay-as-you-go" basis and to relieve the capital funds of the Corporation of this heavy financial load next year.

The committee does not feel that these special programs should be allowed to jeopardize the Corporation's ability to carry out its primary functions of price support. Also, the committee is concerned about the tendency of many people to consider these programs as a part of the price-support program and to charge them to American agriculture. Financing these foreign assistance and special programs through separate appropriations in advance appears advisable for these reasons.

The committee, therefore, has included funds in the bill for 1962 to accomplish the purposes intended by the budget estimates. It has included in title II the sum of \$1,600 million to finance the estimated fiscal year 1962 costs of Public Law 480, the International Wheat Agreement, and bartered materials for the supplemental stockpile. In addition, it has included in title III of the bill the sum of \$1,951,915,000 to reimburse Commodity Credit Corporation for the 1961 costs of these programs. It is expected that future appropriation bills will carry funds for each ensuing fiscal year, on the same basis as for other programs of the Department.

This proposal to provide separate appropriations for 1962 on a pay-as-you-go basis is made for the following reasons:

First. The primary function of the Commodity Credit Corporation is to carry out the price-support programs authorized by law. Its capital funds should be left entirely free to finance these primary functions.

Second. Funds required to finance the many unrelated programs of various types, which have been financed through Commodity Credit Corporation at the direction of Congress as a matter of convenience, should be provided through separate appropriations for the specific purposes. They should be provided in advance in the usual manner, so as not to tie up the operating funds of the Corporation needed for regular purposes.

Third. Appropriations for these large programs with international implications should be provided on their own merits and should be separated from regular Commodity Credit Corporation funds in all budgets and appropriation bills.

Fourth. The tendency of the general public and the press to charge the cost of these multibillion-dollar programs to the Department of Agriculture, and to American agriculture, is unfortunate. The fact that these programs are important instruments of our international relations, and are controlled largely by departments of the Federal Government other than the Department of Agriculture, is not generally understood. It is hoped this proposal will be the first step in making a clear distinction between Commodity Credit Corporation price-

support operations and foreign assistance programs financed through the Corporation as a matter of convenience.

Mr. Chairman, only about 10 percent of the American people are on the farm. That 10 percent has lost its political influence to a great degree because of its constantly decreasing number. We find many, many people saying, "Well, since it is only 10 percent of the people that are involved, why worry about it?" But may I say that for every farmer who has left the farm, there has been a constantly increasing amount of cash that the farmer who is on the farm has to invest. When I first came to Congress, when I first went on the committee handling appropriations for agriculture, it took a farmer about 10 years under adverse circumstances to lose his land. Today, because he has had to substitute high-priced machinery, high-cost insecticides, and all the other things that go with farming today, a farmer can lose his farm in less than 2 years if he has crop failures. In other words, the cash investment required, the risk incurred has greatly increased as the number of farmers has decreased.

Because farming efficiency has increased rapidly, food costs during the past 10 years have risen much less than the cost of most other consumer items in the market. Few of the Nation's consumers are aware of the great savings and benefits that have come to them as a result of agriculture's contribution to the national welfare. Food is one of today's best bargains.

Mr. Chairman, in the committee report I repeat a statement that I made in speaking to the National Agricultural Chemical Association in California last year, to this effect:

It now takes so few of us to produce the food, clothing, and shelter for the rest of us, that the rest of us can provide the highest standard of living ever known for all of us.

It is 10 percent who produce the food, clothing, and shelter for us, and that leaves 90 percent to produce the refrigerators and air conditioners and automobiles and the thousand and one things which make up our high standard of living.

Mr. Chairman, for those who may feel that agriculture has lost its importance because of the decreasing number of farmers, may I point out some significant facts, to those who come from city districts, those who represent the 90 percent, that they frequently overlook. And that is the importance of agriculture to them. In addition to providing food, clothing, and shelter, which is the best buy and the best bargain that our American people have today, agriculture is still the most basic factor in our national existence. Agriculture is still the mainstay of our economy. It is the principal source of new wealth. It is the main provider of basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates \$7 of income throughout the rest of our economy.

Agriculture is still our largest industry. Today, in spite of the decreasing number, over 7 million people are em-

ploied on our farms and ranches. This is 12 times the number of people in the steel industry. It is nine times the number in the automobile industry, and is twice the number in our transportation and public utilities industries combined.

Agriculture is still our largest market for the products of industry. It uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6 million automobiles. It is one of the Nation's largest users of electrical power. Its inventory of machinery and equipment exceeds the assets of the steel industry, and is five times that of the automobile industry.

I mention this so you may know that agriculture is a big part of our economy and as it goes so in the long run will the Nation go. There is no way from the standpoint of economics that you can have a prosperous industry, a prosperous labor, and an unprosperous agriculture, with agriculture's pulling the other two down. You may hide it for a few years, it may take a few years for it to be felt, but anytime the biggest market for industry in this country has to quit buying you have invited a depression, which has followed every time that the purchasing power has gone down.

I was more a lawyer than farmer when I came here. I have worked with this problem and with this subject matter through the years, and I have given to it what legal training and legal background I possess. It has been a revelation to me as a lawyer to sit there and review with the Department of Agriculture representatives some of the very basic problems we have in this country and of which so many of us are unaware.

A former Secretary of Agriculture once pointed out that life is a contest between man and insects. Truly as you sit on this committee you learn that there is hardly a thing in this country that is not threatened by a variety of insects and diseases.

During our hearings this year, the committee received voluminous testimony from Department of Agriculture officials, Members of Congress and representatives of various private organizations concerning this problem. The information received indicates that, despite excellent research results and improved control techniques, the threat from insects and diseases continues to become a greater and greater element of cost to our farmers and consumers.

A review of the hearing records will indicate the many and varied threats to nearly every type of commodity grown in the United States. An example of the problem is the recent invasion of "pear decline" in the major pear producing States of the west coast, where a disease which was first recognized in 1959 is threatening to destroy the entire industry in that area in a very few years.

Tuberculosis, hog cholera, brucellosis, airsacculitis of poultry, fowl typhoid, swine erysipelas, and many other diseases of animals—some of which affect humans—are plaguing the livestock and poultry producers of the country.

Witchweed, nematodes, gypsy moth, boll weevil, Japanese beetle, pink bollworm, European chafer, citrus blackfly, Mexican fruit fly, khapra beetle, sweet-potato weevil and white fringed beetles continue to cost the Nation billions of dollars annually in production losses and control costs.

The threat from insects and diseases is further complicated by the increased speed and volume of travel between all areas of the world. Nearly 5 million more persons entered the United States during fiscal year 1960 than in 1959. The number of planes requiring inspection in 1960 was 140,000, about double the number in 1954. Automobiles and trucks crossing from Mexico reached 25 million last year, an increase of 10 million over 1955.

The opening of additional ports along the St. Lawrence Seaway and increased nonstop overseas air flights to airports in the interior of the country are also increasing the threat of introduction of new pests from abroad.

A total of 314,367 unauthorized plant materials was intercepted by the foreign quarantine inspections in fiscal year 1960, including 30,230 containing dangerous plant pests. This is an increase of 19.5 percent over the preceding year. The insects intercepted included many of the world's most destructive pests of food, fiber and forestry crops.

It has been estimated by agricultural experts that the damage to crops by the more than 600 different kinds of major destructive plant insects in the United States amount to nearly \$4 billion each year. Cotton insects account for nearly \$600 million annually, cereal and forage insects account for some \$400 million annually, and stored grain and household insects cause annual damage of over \$1 billion. It is further estimated that annual losses caused by plant diseases total \$2.5 billion, and that livestock losses due to diseases and parasites exceed \$2 billion per year.

If foot-and-mouth disease should become established in this country, it is estimated that annual losses would be in the billions of dollars. It is further predicted that the introduction of fowl pest in this country could virtually eliminate the poultry industry. The introduction of rinderpest would cost the Nation \$1 billion annually.

To fully appreciate the effects of these destructive diseases and pests, it is necessary only to look to other parts of the world where food production is subject to their ravages. In the Middle East, desert locusts have been sweeping the semiarid lands for centuries, leaving ruin to crops and starvation in their wake. In Pakistan, severe locust, caterpillar, and cricket outbreaks have caused losses as high as 80 percent in some areas. It is almost impossible to maintain supplies of grain in storage in India because of the ravages of weevils, bran beetles, and the world's worst pest of stored grain—the khapra beetle.

Stored-grain pests are so bad in tropical areas of the world that the race to eat the grain before insects devour it results in frequent periods of starvation. The people compete with the pests for

survival. Their low standard of living thus becomes understandable.

The distribution of cattle in Africa is determined primarily by the presence or absence of the tsetse fly. This is a major reason why an African child, once weaned, may never again taste milk. The cattle tick and the human warble or torsiolo fly cause tremendous losses to hides, beef, and milk production in Central and South America. Mortality among calves may be as high as 70 percent in some of the more heavily infested areas.

A recent report from Argentina indicates that 50,000 calves succumbed in 1 year's time to screwworm—the same one found in this country. The Argentines have no effective means of dealing with this pest.

It is estimated by officials of the Department of Agriculture that failure to meet these increasing insect and disease threats could double the cost and reduce the quality of food to the American consumer in 5 years. It is further estimated that in 10 to 15 years this Nation could be short of essential foods.

Food is an outstanding bargain in the United States today. It is usual for people in most areas of the world to spend one-third to one-half or more of their income for food. United Nations figures for 1958 show the percentage of income spent for food in certain areas as follows: Italy, 46 percent; Japan, 51 percent; Ceylon, 57 percent; Nigeria, 71 percent. In the United States, food costs take 20 percent or less of the disposable income.

American consumers also enjoy the greatest variety and the finest quality of food available anywhere in the world. Further, such food is the most wholesome and healthful in the world.

In the Middle East, it is common to find insect larvae in the fresh fruit placed on tables in the best hotels. The average consumer in America wouldn't consider buying the rusty, scrubby, pitted fruit offered in the public markets of that area.

American agriculture has made many contributions to human health and well-being, in addition to providing wholesome foods for the family table. Agricultural scientists developed commercial methods of making penicillin. They also produced dextran, a blood plasma substitute, a starch sponge for medical and surgical use, and dicoumerol, a blood thinner of great medical significance.

Through its research in the field of human nutrition, the Department of Agriculture is developing very significant information on the health aspects of fats in our diets, fat metabolism, and cholesterol in the blood.

One of the moving forces behind the amazing evolution in American Agriculture has been our progress in agricultural science and technology. Many of these advances have begun with the agricultural research carried on cooperatively by the Department of Agriculture and the State experiment stations, supplemented by industrial research.

The committee has supported the research programs of the Department. It has provided funds each year as fully as could be justified within the financial

limits of the Federal Treasury. Funds provided for such research through the years have proved to be a sound investment. It is estimated by agricultural experts that, if farmers today were still using the practices of only 20 years ago, it would cost an additional \$13 billion a year to produce our food and fiber. The additional annual food bill to the American consumer would be much larger.

One of the major problems of the research programs of the Department is to keep ahead of research needs. The research programs must anticipate future problems and devise ways to solve them before they emerge. Much of the research being done today will not begin to influence agriculture for another 10 to 15 years. Research administrators must foresee what future conditions will be—judging from present information—and develop answers that will be needed in the future.

This is particularly true for the diseases and pests of livestock and crops discussed earlier. For example, the Department is conducting research overseas on African swine fever, which has recently swept out of Africa into other areas of the world. This work is insurance for our hog producers, should the disease appear in this country.

Similarly, the Department went abroad recently to study hoja blanca, because its appearance in tropical American areas posed a real threat to rice production in the United States.

The Department was well prepared for the Mediterranean fruit fly when it invaded Florida in 1956 and threatened the Nation's fruit industry. Eight years of work in California and Hawaii had produced a great deal of basic information a swell as attractants and sprays that helped eradicate this pest within a year and a half.

To meet the needs of Agriculture, the Department must be in a position to take effective research action at once when a serious problem arises. It should have a source of funds from which to draw immediately, without having to negotiate a transfer of funds from other work.

For instance, the spotted alfalfa aphid invaded the Southwest in 1954 and spread throughout the Western States in the next 2 or 3 years. The Department shifted about \$40,000 from other work to develop chemical controls, look for parasites and predators, and develop resistant varieties. An adequate contingency fund would have enabled the scientists to save at least a year in the period required for eradication—at a time when the spotted alfalfa aphid was costing growers \$30 to \$40 million annually.

Another invader has been the face fly, which came into New England from Canada some years ago. Suddenly, in 1959, it threatened to become a serious menace to our livestock. Again, the emergency was met by shifting \$30,000 to \$40,000 from other programs. This worrisome pest has now spread across the country as far west as Nebraska. Department entomologists feel that they lost valuable time in bringing this threat under control due to the lack of a contingency fund from which to draw.

To enable the Department to move in on such problems quickly, the committee has established for the first time a contingency research fund of \$1 million for fiscal year 1962. The fund will be available to the Administrator of the Agricultural Research Service to expedite work on research problems and to meet special research needs as they arise.

Such a fund will also be available to give increased emphasis to some of the many special problems presented to the committee by Members of Congress and other witnesses this year, including basic research on wheat and grains, research on the improved digestibility of dry edible beans, barley and malt research, research on pear decline, forage and range research, soybean research, poultry research—particularly with reference to airsacculitis—soil and water conservation research, and others. In many of these areas, the work might best be done through contracts with qualified research institutions.

As in previous years, many persons appeared before the committee in support of additional funds for various projects, many of which were not included in the 1962 budget. Several hundred witnesses presented requests for additions to the budget totaling about \$500 million.

Proponents of many of these programs offered sound and persuasive evidence to support their requests. However, the committee is faced with a larger than usual budget this year. It is also faced with the fact that two Presidents have considered and approved the present budget. This makes it virtually impossible to add funds for all of these many proposals.

In most cases, the proposed research projects are what the committee had hoped the Advisory Committee would urge the Department to undertake by shifts in emphasis within present funds. The committee is somewhat disappointed that the Advisory Committee system has not been more effective in screening these proposals and in getting the Department, to the greatest extent possible, to transfer personnel and shift its facilities to meet these urgent problems.

The Committee has called on the specialists of the Department to review these many special requests and give them careful consideration. In most cases, it appears that further detailed findings by the Department are necessary and further consideration should be given to them in the preparation of future budgets.

Further, some of the more urgent research needs presented to the committee should be given consideration by the Research Administrator in the allocation of the contingency research fund discussed above, where a shift of emphasis will not meet the need fully.

Remarkable progress has been made in soil and water conservation in the United States in the last 25 years, but the biggest part of the job still lies ahead. The United States continues to suffer heavy soil erosion losses. Some 120 million acres are being endangered

seriously. Only about a third of our land is safeguarded adequately.

More than half the estimated \$1.2 billion average annual floodwater and sediment damage in the United States occurs on the headwater streams and small tributaries. And sediment causes costly damage to the Nation's 10,000 major water storage reservoirs.

Increased farm production resulting from tremendous advances in science and technology, and surpluses of some farm crops, tends to obscure the fact that, to meet food and fiber needs of 15 years hence, this country will need the production equivalent of over 200 million more acres, based on current yields. Since we do not have 200 million more acres of cropland, this production must come largely from increased yields on existing cropland. This is in the face of continuing annual losses of some 400,000 acres of cropland because of erosion, and 3 times that amount each year through conversion of good farming land to urban and industrial uses.

Nearly one-fourth of the people of the Nation face problems of water shortage, poor water, or both. The rate of water use predicted for 1980 is nearly twice what it was in 1955.

Since three-fourths of our land area is in private ownership and 60 percent is in farms and ranches, it follows that our farmers and ranchers are the principal managers of the Nation's soil and water resources for all the people. How our farmers and ranchers manage the lands under their stewardship for the benefit of us all determines whether we shall have soil conservation or soil erosion, whether we shall have the right quality and quantity of water or poor water and not enough of it, not only for agriculture but for cities and industry.

It is essential that we recognize the national scope of the problem and put forth extra effort on programs that will conserve and most effectively utilize the soil and water resources of our country. It is imperative that we intensify our national programs to protect and improve our soil and water resources.

In his special message on natural resources presented on February 23, 1961, the President again emphasized the importance of our soil and water resources to the future of this Nation. The majority of the members of the committee agree with this belief and feel that adequate funds must be provided for all programs which contribute to soil and water conservation, including the Soil Conservation Service, conservation research, watershed protection and flood prevention, and the agricultural conservation program.

Through the years, the agricultural conservation program has been the Federal Government's principal economic stimulus to farmers and ranchers to voluntarily apply needed conservation measures. It is used in all agricultural counties in the 50 States, Puerto Rico and the Virgin Islands. Conservation practices were carried out under this program in 1959 on over a million farms and ranches, covering 388 million acres.

This program has served the Nation well for a quarter of a century. It has

helped to meet the public responsibility for protecting and conserving the soil, water, and woodland resources of the Nation. The accomplishments of this program have been significant. From 1936 through 1959, stripcropping has been established on over 104 million acres of cropland, and contour farming has been installed on over 138 million acres. Nearly 25 million acres have been terraced and 762 million acres of vegetative cover have been installed. Over 1.6 million storage dams and reservoirs of various types and sizes have been built, and over 38 million acres have been drained for conservation purposes.

During this period, this program has stimulated twice as much economic activity as the amount of Federal funds spent, since the farmer puts up about half the cost of the practices, plus his labor. The per capita annual cost is about \$1.40, and the investment per acre of farmland is 54 cents.

This committee has opposed efforts through the years to cripple this vital program. Nearly every year, it has had to fight efforts to reduce the program below the traditional level of \$250 million per year. Since 1953, it has had to restore proposed budget cuts in all but 3 years.

In view of the importance of this program to our broad national efforts in the soil and water conservation field, the committee recommends the continuation of the \$250 million program authorization for the coming year. The majority of the members feel strongly that any reduction below this level will seriously impair future conservation programs throughout all areas of the country.

Flood prevention work on the 11 original watersheds was initiated by the Flood Control Act of 1944. Work has been in process under the supervision of the Department since that time. This committee has frequently provided more funds than requested for this purpose and has consistently urged the Department to speed up construction to prevent continued loss of soil and water and to save money in view of steadily increasing construction costs.

Recognizing the value of this upstream watershed approach to our conservation efforts, and realizing the need for such work throughout the entire United States, the Committee initiated the watershed protection program in 1954 by adding \$5 million not requested in the budget to initiate conservation work on about 60 pilot demonstration projects in various areas of the country. This program was so well received and proved so successful that Public Law 566 was adopted the following year to establish a permanent upstream watershed program on a Nationwide basis.

Funds for this watershed protection program have grown rapidly in view of its great acceptance and the large local demand for Federal assistance. This appropriation has grown from the original \$5 million in 1954 to \$36.8 million in 1961 and to a recommended \$53,787,000 for 1962.

The committee has actively supported this program and the appropriation increases needed. It has included in the

bill for 1962 the full increase of \$9,562,000 recommended by President Eisenhower which was further increased to \$17,062,000 by President Kennedy. It recognizes that only 650 of the 1400 communities which have applied for watershed planning have received Federal help to date. It is estimated that more than 8,000 small watersheds need the type of conservation assistance provided by this program.

The committee also recognizes the urgent need to accelerate the work on the 11 major watersheds initiated in 1944. At that time, it was estimated that these projects would be completed in 15 years. In 1961, some 17 years later, the work on these projects is estimated to be only 33.4 percent complete. On one of the major watersheds the work is only 17.5 percent complete.

Testimony presented to the committee indicates that the local sponsors of these projects are anxious to move ahead at a much faster rate. In some cases, delays in obtaining local easements and funds have been overcome and the local organizations are fully equipped to proceed.

There is an urgent need to move ahead at a faster rate. In view of the evidence that local interests are prepared to proceed more rapidly, the committee has increased the funds in this bill for the 11 major watersheds to \$25 million, an increase of \$5,537,000 over the budget. This should permit work in these watersheds to proceed at the same accelerated rate as the new budget has provided for watershed protection work in the rest of the country.

The committee recommends \$76,558,000 for the research programs of this agency during fiscal year 1962, which is \$616,000 less than the budget estimates. The increase of \$5,325,000 over funds appropriated for 1961 includes \$2 million for staffing the new Animal Disease Laboratory which will be ready for operation about July 1, 1961; \$935,000 for staffing other research laboratories constructed with funds included in previous bills and now ready for operation; \$250,000 for staffing North Central hydrology research watershed at Columbia, Mo.; \$205,000 to expand and strengthen research on tobacco quality and production; \$60,000 to intensify research on pear decline and other rootstock problems; \$600,000 for utilization research on fibers, fruits and vegetables, oilseeds, cereal and forage crops, and new and special plants; \$275,000 for research on human nutrition; and \$1 million for the contingency fund for research discussed earlier in this report.

The committee has provided what it considers to be adequate funds for staffing the new Ames Laboratory. Based on prior experience and the inevitable delays in getting a new facility in operation, and the difficulties or recruiting additional staff, it is unlikely that the full funds requested will be required for the first year.

In the implementation of research projects at the new Ames Laboratory, the Department is urged to give special attention to the airsacculitis disease of chickens and turkeys. The Committee has received considerable testimony as

to the seriousness of this problem to the poultry producers of the Nation. The statistics on condemnations by the poultry inspection service of the Department due to this disease are alarming. It is understood that the Department is now spending nearly \$300,000 for research on this problem and expects to increase the funds for fiscal year 1962. It is recommended that, of the funds provided in this bill for fiscal year 1962, a minimum of \$387,800 be used for this work. If additional funds for this purpose should become necessary, the new contingency research fund could be used to meet the need.

The additional \$935,000 for staffing new laboratories covers staffing and first year operating costs of the cotton insect research laboratory at Mississippi State University and the two grain insect research facilities at Brookings, S. Dak., and Tifton, Ga. Of this amount, \$50,000 should be used to restore the original level of operation at the conservation research laboratory at Morris, Minn., which was curtailed to provide \$25,000 each for two subsidiary research facilities at Madison, S. Dak., and Crookston, Minn. The purpose of the north central hydrology research watershed is to gain basic information on precipitation-runoff relationships, sedimentation, and channel stability in one of the most highly developed agricultural areas in the United States. The area, over 110 million acres in extent, includes large portions of the central clay pan and the Iowa-Minnesota Till Plain as well as an extensive portion of the Upper Mississippi loess drift and the Missouri Valley deep loess soils. Those areas are under intensive land use, ranging between 60 and 80 percent in cultivation and grassland. An additional \$250,000 is provided for this project.

Tobacco production requires a greater amount of labor per dollar value to the grower than any other field crop. The need to mechanize is great, but the end product of mechanized production must be of high quality to meet the specific demands of discriminating consumers. Variations in quality brought about by changed production and handling practices, or by the use of filters and reconstituted tobacco, affect both domestic and export markets. Research is urgently needed on the labor-saving and cost-reducing potentialities of mechanization and on improved cultural and management practices. The committee recommends the budget increase of \$205,000 for this purpose.

One of the most urgent needs for additional research results from the recent appearance of pear decline in the Nation's pear-producing areas on the west coast. This disease has spread alarmingly in the commercial pear growing areas of Washington, Oregon, and California. It threatens to destroy a very substantial portion of the pear trees in these three States which produce 87 percent of the commercial crop of quality pears. Affected trees fail to make normal growth, do not set or mature normal fruit, and become progressively weaker until they die. Slow development of the disorder causes death

of the tree in 1 or 2 years, but, in many cases, vigorous and apparently healthy trees may develop quick wilting and die within a week. The committee has included the budget increase of \$60,000 for the study of this and other root stock problems. This will make about \$100,000 available for fiscal year 1962. If additional amounts become necessary during the year, the use of funds in the contingency research fund might be considered by the research administrator.

The additional \$600,000 for utilization research will assist the Department to serve the farmer by finding new and larger uses for his products, just as industrial utilization research serves the chemical industries. If the farmer's traditional markets are to be protected and if he is to share in large future markets, agricultural utilization research must be as vigorous and progressive as that of its competitors.

With the additional \$275,000 provided for human nutrition research, it is expected that work will be expanded on the biological value of food, on fats differing in fatty acid composition, on foods important for protein, such as meats and dairy products, and on selected foods important for other nutrients, such as cereals and certain vegetables. Research is needed to determine the range in levels of consumption of these products that will yield the greatest nutritional effect without risking imbalances in metabolism and to determine and evaluate food consumption patterns of individuals in different population groups. Findings of the Department in this area are used widely by medical and health agencies.

The many and varied problems of agriculture, as well as many consumer problems relative to food and home economics, continue to increase the need for additional research beyond the funds that can be provided to meet them. Year after year, the research budgets of the Department increase. And each year, the committee is approached by many individuals and groups requesting additional funds for special research projects in nearly every phase of agriculture. As pointed out earlier in this report, nearly 200 persons not connected with the Department appeared before the committee this year, most of them proposing new and additional research projects.

Since the financial limitations under which the budget is prepared and approved are so stringent, it appears necessary that some new approach to this problem be found. The Department is directed, therefore, to make a thorough review during the coming year of research by private organizations, State experiment stations, and agencies of the Department to determine: (1) The importance of research now being conducted as compared to the additional research needs which have not yet been met; and (2) how more of these additional research needs can be met on a cooperative basis with the many private research agencies in the field of agriculture.

Further, unavailability of labor for farming operations has greatly increased the need for additional research on

mechanization of practices and procedures which can be adapted by virtue of size and cost to smaller farms. Such problems as weed control, pest control, cultivation, and harvesting, all of which require labor which is not available, should have special attention.

The Department is also requested to make a careful reevaluation of the priority position of the facility proposed to study soil-water-plant relationships. There seems to be considerable interest in locating this facility at Cornell University, because of the many advantages this institution has to offer. The committee believes the same review should be made of the mechanics of erosion laboratory in which many representatives from North Carolina have expressed deep interest.

For plant and animal disease and pest control, the sum of \$55,165,000 is recommended for the coming fiscal year, an increase of \$1,195,000 over fiscal year 1961 and a decrease of \$225,000 in the budget estimate. The amount proposed includes increases of \$450,000 to staff the control and regulatory activities at the new Ames Laboratory, \$400,000 for additional plant quarantine inspectors, and \$345,000 to meet mandatory salary increases due to a recent reclassification of all veterinarians in the regulatory, control, and inspection programs of the Department.

The increase of \$400,000 for plant quarantine work will permit the employment of 35 additional inspectors to strengthen staffs at existing ports of entry and to staff new ports of entry where traffic volume requires full-time inspection personnel. The growing volume of foreign traffic means that new ports of entry must be opened, and that established ports must enlarge their facilities to take care of increased traffic. Further, the opening of the St. Lawrence Seaway, and increased nonstop oversea airflights into the interior of the United States has increased the inspection load. Many destructive pests and diseases, such as the Mediterranean fruit fly, oriental fruit fly, khapra beetle, citrus canker, and others, formerly established in limited areas of the world, are now spreading among other countries as international traffic increases—thus adding to potential sources of entry into the United States.

In the fall of 1960, the Civil Service Commission began a study of veterinary positions in the Department in view of the increasing responsibilities and educational requirements of this type of work. As a result of this study, the Commission is preparing to issue revised standards which will result in the upgrading of about 60 percent of the people involved. It is mandatory that the Department pay the additional salary costs required. An increase of \$345,000 is included in this paragraph of the bill for this purpose.

The committee believes that a more effective and economical program for the control and eradication of brucellosis and tuberculosis of cattle could be conducted by closer coordination of the two programs. It is recommended, therefore, that the Department combine the personnel and facilities of these two ac-

tivities into a single operation. It is further recommended that the funds for the two programs be handled as a single item in order to provide flexibility in handling personnel assignments.

The bill includes \$24,216,000 for meat inspection for fiscal year 1962. This is an increase of \$1,090,000 over funds for 1961. The increase provides \$675,000 for the employment of 108 additional meat inspectors to meet increased workloads. It also includes \$415,000 to meet mandatory salary increases due to reclassifications, as discussed under the preceding heading.

The most important factor in the inspection workload increase is the ever-growing number of establishments requiring Federal inspection, as well as the number of cities and towns in which they are located. Since 1959 the number of cities and towns has increased from 546 to 624—14.3 percent—and the number of meatpacking establishments has increased from 1,334 to 1,484—11.2 percent.

For the foreign currency program, the committee recommends the budget estimate of \$5,265,000 for fiscal year 1962, a decrease of \$9,866,000 below 1960 appropriations. This amount will permit continuation of essential overseas research in those countries where foreign currencies generated under Public Law 480 are excess to normal U.S. requirements.

The program includes research in the fields of crop production and diseases, human nutrition, marketing and forestry. This research supplements the work done under the regular research programs of the Department, using foreign currencies generated abroad through Public Law 480. Since these currencies generally must be spent in the countries in which earned, this appears to be a productive use for them.

The sum of \$800,000 is included in this portion of the bill for construction of facilities, a reduction of \$6,950,000 below funds for 1961 and an increase of \$250,000 in the budget. The amount recommended includes \$425,000 for the construction of a facility for research on biological control of insects through use of parasites, predators, and diseases as a means of avoiding residues and other hazards.

This item also includes \$375,000 for a soil and water conservation research laboratory at Florence, S.C., to conduct research on soil and water resource problems in the upper and middle coastal plains of the Mid-Atlantic States, an area characterized by a flat to rolling topography. The 30 million acres of the Coastal Plain soils constitute a major agricultural area. The soils are highly susceptible to surface crusting and compaction, conditions which limit infiltration and movement of water through the soil. These problems also influence surface runoff and erosion, reduce irrigation efficiency and affect the efficiency of ground water recharge.

An appropriation of \$34,803,000 is provided for grants to State experiment stations for fiscal year 1962. This includes \$34,553,000 for payments to States and \$250,000 for penalty mail costs. The increase of \$2 million will provide funds to

pay salary increases where needed and to expand the research programs of the State institutions. The committee is informed that a major portion of this increase will be used for increased salaries to compete with those paid in similar organizations.

The committee believes in this program and has consistently supported adequate funds for this purpose. It recognizes that there are many problems which differ from one State to another, that can be solved only through research findings of these local institutions. It agrees that funds must be provided to continue the research programs of each of these facilities to meet this need.

At the same time, however, it is aware that many of our most pressing problems are national in scope, requiring a more centralized approach to their solution. The regional research program of this organization has provided a logical and effective approach to this matter. However, there is still a great need for further centralization of research work where an urgent areawide or nationwide problem arises. The committee recommends that the Department give further study to the most effective means of, first, preventing duplication in research efforts and, second, centralizing research activities to bring about the most satisfactory research results where required on a broad basis.

The sum of \$58,790,000 has been included in the bill for 1962 for payments to States and Puerto Rico, an increase of \$2,212,000 over funds provided for fiscal year 1961.

This increase provides additional funds to strengthen State and county extension work and to expand marketing educational work designed to assist farmers, consumers, and marketing firms to adjust to the changes taking place in the entire marketing process.

The need to maintain competitive salary levels is also a problem for this organization. It is expected that much of the increase for this program will be used for salary increases for county extension agents and home demonstration workers, where essential to maintain salaries at competitive levels.

The Federal Extension Service provides for leadership counsel and assistance to the 50 States and Puerto Rico. An appropriation of \$2,452,000 is proposed for fiscal year 1962, a reduction of \$48,000 in the budget estimate. The increase of \$50,000 over fiscal year 1961 will permit the employment of several new specialists in the Washington office to provide leadership in rural development, community development, agricultural chemicals, and related subjects. The complexities of modern-day agriculture make further specialized leadership of this type necessary.

During the current fiscal year, soil conservation assistance has been provided for 20 new districts which have come into existence. It is expected that an additional 18 districts will be organized in fiscal year 1962, which will bring the total to 2,905 districts by June 30, 1962.

The committee recommends the full budget estimate of \$89,725,000 for the soil conservation operations, an in-

crease of \$1,121,000 over the 1961 appropriation. This amount will provide an additional \$496,000 to staff the 18 new districts expected to be organized next year. It also includes \$25,000 for additional space needed at field locations.

Last year's bill authorized the Department to carry forward \$600,000 of unused 1960 funds to employ conservation aids and other nonprofessional personnel on a part-time or contract basis to meet the increasing workload of this organization. The pending bill includes a direct appropriation of \$600,000, in lieu of the carryover provision in last year's bill, to continue this arrangement in 1962.

For watershed protection, the bill carries an appropriation for 1962 of \$53,787,000—the full budget estimate. This is an increase of \$17,062,000 over the appropriation for fiscal year 1961. However, when the carryover of over \$5 million from 1960 into 1961 is considered, the actual increase is about \$12 million.

The amount recommended includes \$5,500,000 for investigations and planning, an increase of \$296,000 over 1961. The committee agrees, however, that an additional \$1 million of the increase for watershed improvements may be made available for further planning parties, if found necessary during the year.

As discussed earlier, the need for this program and the demand from localities for participation are growing at a tremendous rate each year. Additional applications are being received at almost twice the rate that work plans are being completed. The backlog of unserved applications on hand amounts to about 4½ years' work at the present level of planning assistance.

It is estimated that there will be 338 Public Law 566 watershed projects at the beginning of the fiscal year 1962 in which works of improvement will be in process of installation. About 158 of these will be receiving advance engineering and technical assistance only, which is a prerequisite before the projects can be advanced to the construction stage. An estimated 80 are expected to be advanced to the construction stage during 1962 and about 100 additional projects will be approved for advanced engineering and technical assistance.

The same type of watershed treatment in certain important areas of the Nation is carried out under the flood prevention program, authorized by the Flood Control Act of 1944. For this work in these 11 major watersheds during fiscal year 1962, the committee has included an appropriation of \$25 million in the bill. This is an increase of \$5,537,000 over the 1961 appropriation, which will enable the Department to speed up works of improvement in these areas in line with the rate requested by the President's budget for other regions.

As pointed out earlier, the work on these 11 major watersheds is lagging far behind the program envisioned when this program was initiated in 1944. At that time, it was estimated that these projects would be completed in 15 years. It is now 17 years later and the overall program is only about 33 percent complete. It was also pointed out earlier that information given to the commit-

tee shows that the local sponsors of these projects are now able to proceed at a much faster rate than funds have been made available heretofore, which indicates the need for additional funds to finance the Federal portion of the projects at an accelerated rate.

The bill carries an appropriation for this organizational unit of \$9,049,000 for fiscal year 1962, a reduction of \$484,000 in the budget estimate. The committee has held this recently organized service to the 1961 level of operation, feeling that it should complete its realignment of functions and reevaluation of activities and financial needs within present limits of funds.

The committee recommends a appropriation of \$8,688,000 for the coming year, a reduction of \$34,000 in the budget estimate. The increase of \$500,000 over 1961 is provided to extend to additional States and commodities basic improvements in the crop and livestock estimates program. This is the second year's installment of a 3- or 4-year program to modernize this service and improve the accuracy of these estimates. The Committee feels that this modernization effort should continue.

In developing these improvements, consideration should be given to the advisability of establishing objective crop estimates of grapes and lemons in cooperation with the State of California. The need for more frequent reports on inventories of potatoes and other commodities should also be given further review.

An appropriation of \$37,702,000 is recommended for marketing research and service, including \$4,515,000 for marketing research and \$33,187,000 for marketing services. The amounts proposed are \$108,000 less than the budget estimate and are \$3,789,900 over the 1961 appropriation.

The increase of \$297,800 for marketing research is provided for marketing research at Clemson, S.C., to improve the spinning, weaving, and finishing qualities of cotton. This work was started in 1961 with Commodity Credit Corporation funds. It is proposed to carry this work forward and expand it slightly in 1962 from funds included in this appropriation item.

Increasing mechanization in cotton production and harvesting methods and in drying and cleaning cotton during ginning appears to have resulted in serious problems in the spinning, weaving, and finishing qualities of cotton. These problems are being reported by domestic and foreign users of American cotton to such an extent that it is of mounting concern to the cotton industry. More data is needed to determine what processes and practices damage cotton fiber and to develop corrective measures.

The increase for marketing services provides \$59,000 for additions to the leased wire service for the market news service, \$75,100 for more effective administration of the Packers and Stockyards Act, \$25,000 for the rental of additional space needed for the various activities of this agency, \$500,000 to meet salary increases due to the reclassification of poultry inspectors—along with other veterinarians as discussed earlier—and

\$20,000 for a special study of the possibility of coordinating weather reports and market news service broadcasts.

The funds recommended also include \$2,813,000 for grading and classing activities of this organization. Heretofore, these functions have been financed on a reimbursable basis through Commodity Credit Corporation. Inclusion of these funds for 1962 as part of marketing services is part of the general proposal to provide separate funds in advance for these various special programs.

Several years ago, the Appropriations Committee provided for the establishment of a special weather reporting and forecasting system in the Mississippi Delta to disseminate weather information in a manner best suited for agricultural purposes. This project has proved very valuable and we now consider this a permanent installation. It is estimated that the savings to the farmers of the area due to better weather information exceeded \$1 million last year. The committee has urged that this service be extended to adjacent areas. It believes that the same type of service would also be valuable to certain other areas of the country. Such service is now provided by the Weather Bureau under the Department of Commerce.

The committee recommends that both the Department of Agriculture and the Weather Bureau make a survey of the need for this type of weather information in other sections of the United States. It is believed that if the Weather Bureau would provide such information where needed, the Department of Agriculture could assist greatly in its dissemination. The Department now has an extensive network for market news reporting purposes which should be coordinated with Weather Bureau facilities more closely to provide more detailed weather information and weather forecasts. The sum of \$20,000 has been included in the bill for 1962 to enable the Department to make a full study of this matter in cooperation with the Weather Bureau.

The Department should also consider the feasibility of including market news information on other commodities not now covered, where they are of sufficient importance. The need for additional information on truck unloadings of fruits and vegetables should also be given further review in this connection.

The sum of \$1,400,000 is provided for fiscal year 1962 for payments to States and possessions, an increase of \$205,000 over 1961 and the budget estimate for 1962. This increase is provided to meet an urgent need for improving agricultural market facilities at a number of major cities and to enable some States to participate to a larger extent. Since a large part of the retail cost of food is incurred after agricultural commodities reach the marketplace, these improvements should be of real benefit to the consumers of the Nation.

As a result of recent legislation, urban redevelopment programs are expanding and moving forward in many places. Usually the antiquated market areas in the major cities are directly in-

volved in such redevelopment plans. As a result, many cities are now seeking Federal assistance in planning the relocation of their large wholesale and retail markets. Requests have been received from many places including Boston, Chicago, Oakland, San Diego, Huntington, Jersey City, and Miami.

By making funds in this appropriation available for "Marketing research," the committee believes the Department might well proceed with the city of Boston, which is now undertaking plans to redevelop the blighted areas of the city. In some of these areas are located the market facilities used by wholesalers, processors, and storers of fruits and vegetables and other food products. Federal assistance at this time to help in the planning and location of the new markets could be exceedingly valuable to all concerned. Plans for additional cities should be considered in preparing the budget for next year.

Also several States which have not been participating in this program in the past are now ready to provide the matching funds and enter into this cooperative marketing improvement program with the Department. States such as Missouri, which have had only a nominal program, now have funds in hand and are ready to proceed on a much larger basis as soon as Federal funds are available.

For the school lunch program, the committee recommends \$125 million for fiscal year 1962. This is an increase of \$15 million over the 1961 appropriation and is \$5 million over the 1962 budget request. In addition, the bill provides for the transfer of \$45 million from section 32 funds to be used to purchase meats and other foods needed to provide balanced school lunches. This transfer authority is the same as provided for 1961 and as requested in the budget for 1962.

Of the increase, \$10 million is included to provide special assistance to help particularly needy schools defray the cost of serving lunches to needy children. Language is included in the bill to authorize the Secretary to allocate this money to areas of greatest need and to prescribe standards and criteria under which the funds will be used.

The balance of the increase, \$5 million, will be distributed to all States in the usual manner. This increase is included to partially offset the steadily decreasing rate of Federal assistance, due to the constantly increasing student participation in the program.

The number of schools enrolled in the program has increased from a peak of 61,442 in fiscal year 1959 to 62,975 in fiscal year 1960. The number of children receiving lunches has increased from a peak of 12 million in 1959 to 12.8 million in 1960—and further substantial increases have occurred during the present school year.

Since 1947, the first year under the School Lunch Act, the number of meals served has nearly tripled, while funds for Federal cash payments have increased about 50 percent. As a result, the average rate of Federal cash assistance per meal has declined from an average of

8.7 cents in 1947 to about 4 cents in the current year. In States where participation has increased faster than school population, the rate of Federal assistance has fallen substantially below the national average—as low as 1.5 cents in one State. It is hoped that the additional funds in this bill will help to correct this situation.

During fiscal year 1960, over \$1 billion was expended under this program, including appropriations and contributions from all sources. Federal contributions, including donated commodities and the special milk program totaled \$304 million, State and local contributions were in excess of \$220 million, and payments by participating children exceeded \$555 million. While Federal funds represent the smaller portion of the total funds involved, they are highly important since they serve as the financial foundation for the entire program.

The budget estimate provides a total of \$15,877,000 for the Foreign Agricultural Service during the coming fiscal year. Of this amount \$12,760,000 is requested as a direct appropriation and \$3,117,000 is requested as a transfer from section 32 funds.

The committee recommends the full transfer of \$3,117,000 for 1962, plus a direct appropriation of \$12,457,000. The appropriation figure represents a decrease of \$2,818,300 below 1961 and \$303,000 in the 1962 budget request.

Two increases are provided within the amount allowed: \$300,000 to open three new attaché posts and increase the number of marketing specialists abroad and \$74,500 for studies of the competitive position of major U.S. farm commodities in leading foreign markets and for expanding reports to the U.S. trade. These increases are more than offset by a reduction in market development activities, leaving the net decrease set forth above.

Attaché posts at Addis Ababa, Beirut, and San Salvador are proposed to provide more adequate information on market prospects for U.S. agricultural commodities and to permit better support of commercial agricultural trade operations.

With agricultural exports from Ethiopia to the United States running so much higher than agricultural imports from the United States, greater efforts are needed to increase the exports of U.S. agricultural commodities to Ethiopia. There is also a need to intensify agricultural representation in Lebanon in order to keep abreast of marketing developments and to take advantage of expected opportunities for further U.S. participation in international trade in this area. Also, Central America is of vital importance to the United States as a market and source of supply. It is an expanding market for a significant variety and volume of U.S. agricultural exports.

The budget estimate of \$3,444,000 is recommended for the coming fiscal year for market development activities under section 104(a), through the use of foreign currencies generated by the sale of U.S. agricultural commodities abroad under Public Law 480. The program to

be financed under this appropriation will be conducted primarily in those countries where the United States has an excess supply of local currencies to its credit.

The market development work financed with these funds includes promotion of the sale abroad of various U.S. products. These include cotton, dairy and poultry products, fats and oils, grain and feed, livestock and meat products, and tobacco, all of which require substantial foreign markets to support a healthy domestic economy for producers of these commodities. Through cooperative projects the Department furnishes foreign currencies and overall guidance, including assistance by the agricultural attachés abroad. The cooperator carries out the work, either directly or in cooperation with foreign groups. In all projects, however, U.S. trade and agricultural groups cooperate directly or indirectly, to the maximum extent possible.

Since all commodities sold, donated, and bartered under Public Law 480 are paid for and charged to the Department of Agriculture and to American Agriculture in the public mind, all sales agreements under this program should contain provisions, as authorized by the act, to set aside for market development purposes the maximum amount of foreign currencies which can be efficiently and effectively used. Such agreements should also provide for the maximum convertibility of the foreign currencies for use in other areas where this work can be productive.

For acreage allotments and marketing quotas, an appropriation of \$44,098,000 is included in the bill for 1962, an increase of \$500,000 over 1961 and a decrease of \$735,000 in the 1962 budget estimates.

The additional funds are provided for checking compliance on an increased number of cotton acres, due to an increase in the national acreage allotment for the 1961 crop. On October 13, 1960, a national acreage allotment of 18,398,424 acres was proclaimed for the 1961 crop of upland cotton. In addition, 60,000 of the 310,000-acre national acreage reserve was used to take care of minimum farm allotments, making a total of 18,458,424 acres available for allotment to cotton farms. Since a total of 660,000 cotton acres are in the Conservation Reserve, this leaves 17,798,424 acres for measurement under this appropriation. This is an increase of 930,544 acres over the 1960 crop. When marketing quotas are in effect, compliance with acreage allotments is mandatory. Only the production from the allotted acres can be sold without penalty. Compliance checking must be done as quickly as possible when seasonal development of the crop and weather conditions permit, so that within-quota marketing cards may be issued before the beginning of the marketing year on August 1.

For the Sugar Act program, the committee recommends the sum of \$78 million for fiscal year 1962, an increase of \$3,500,000 over 1961 and a decrease of \$3,314,000 in the 1962 budget. This increase over 1961 funds for mandatory

payments to sugar producers is based on a projected increase of sugar production in 1961 over 1960 production. The decrease in the budget request has been made since recent estimates of sugar production are somewhat lower than those upon which the budget was based.

Payments are made to domestic producers of sugarbeets and sugarcane who comply with certain special requirements. To finance these payments, a tax of 50 cents per hundred pounds is imposed on all beet and cane sugar processed in or imported into the continental United States for direct consumption.

During the period 1938–60 collection from excise taxes and imports have exceeded payments by \$428.1 million.

The purposes of the agricultural conservation program include restoring and improving soil fertility, reducing erosion caused by water and wind, and conserving water on the land. To effectuate these purposes, the agricultural conservation program offers cost-sharing assistance to individual farmers and ranchers for carrying out approved soil building and soil and water conserving practices on their farms. The Federal assistance represents only a part of the cost of performing the practice. The farmer bears the balance of the cost—50 percent on the average—and in addition often supplies the labor necessary to carry out the practice.

An appropriation of \$238 million is included in the 1962 appropriation bill for payments earned under the program authorized in the 1961 Appropriation Act. The committee also has restored the authorization for the 1962 program to the \$250 million level.

As has been pointed out earlier, this program provides the primary financial support for the entire conservation effort of the Department. The program has over 1 million participants each year, which represents nearly 25 percent of all farming units in the United States.

The act of March 22, 1961—Public Law 87-5—provides for a special agricultural conservation program for feed grains. Under this program, conservation payments, in amounts specified in the act, will be made to farmers who divert acreage from the production of corn and grain sorghums to an approved conservation use and increase their average acreage devoted in 1959 and 1960 to designated soil-conserving crops or practices by an equal amount.

This appropriation provides funds for the administrative costs of the agricultural conservation portion of the program. It assumes that approximately 1,500,000 farmers in areas throughout the United States producing corn and grain sorghums will participate in the 1961 feed-grain program. The program will be administered in the field by ASC State and county committees.

The bill for 1962 includes \$15 million for this purpose, a decrease of \$5,500,000 in the budget estimate.

An appropriation of \$300 million is provided to pay off obligations incurred under 1960 and prior year conservation reserve program. This is a reduction of \$30 million in the budget estimate.

It is the same amount below the 1961 appropriation.

Based on past experience, the Committee feels that the amount recommended for 1962 will be adequate. Of course, the Government will be required to meet its commitments under this program for some years to come, regardless of the size of annual appropriations. Authority to enter into new contracts expired at the end of the 1960 program year. Unless the program is reactivated, future appropriations will be limited to amounts needed to liquidate existing contracts.

The 1962 bill carries an appropriation for the Crop Insurance Program of \$6,561,000, which is the same amount as was provided for the current fiscal year. In addition, authority is provided for the Corporation to spend \$2,830,000 from its premium income for administrative costs in fiscal year 1962. This provides an increase over 1961 of \$200,000.

The program is operating in 895 counties in fiscal year 1961 and is expected to be extended to 939 counties in 1962. The program for 1962 contemplates 415,000 crops insured as compared to 390,000 in 1961. During the 12 years that the program has been operating on a limited experimental basis, premiums have exceeded indemnities by about \$6.4 million.

The committee believes that this program, which now appears to have gone beyond the experimental stage, should be made available on a much broader basis as rapidly as sound insurance practice will permit. It feels that the program should now be offered throughout the country and should be undertaken where local interest is high and where sign-ups are sufficient to make the program actuarially sound.

The 1962 budget proposed authorizations of \$195 million for electrification loans and \$150 million for telephone loans under REA. The Committee has included these amounts in the bill. However, it has placed a portion of each item in a contingency reserve, in accord with the practice it has followed for a number of years.

The amount approved for electrification loans includes a direct authorization of \$125 million plus a contingency fund reserve of \$70 million, making a total of \$195 million. For telephone loans, the direct authorization approved is \$120 million plus a reserve of \$30 million, a total of \$150 million.

The amount recommended will provide a total of \$225 million for electrification loans for fiscal year 1962, including a carryover of about \$30 million. The amount included in the bill will provide a telephone loan program of \$151 million for 1962, including \$1 million to be carried over from 1961. These amounts appear to be adequate to meet the loan applications expected during the year.

In connection with new loans, the REA should determine a proper level of reserve for each applicant, should set up proper criteria for granting new loans, and should make certain that funds are used for the purposes for which they are made available.

For the lending programs of the Farmers' Home Administration, the bill in-

cludes total loan authorizations of \$284,900,000. This includes \$31,900,000 for farm ownership loans, \$250 million for farm operating loans, and \$3 million for soil and water conservation loans. Of the amount for farm operating loans, \$25 million has been placed in a contingency reserve to be drawn upon when and as needed.

The need for agricultural credit has been increasing greatly in recent years in most areas of the country. The full contingency of \$40 million provided for fiscal year 1961 has been used and reports indicate that operating loan funds have been completely exhausted in many areas for several months. Many farmers are in urgent need of credit to plant their crops during this season of the year. Should such a situation develop next year, the contingency fund of \$25 million will be available to meet the need.

It came to the attention of the committee last year that two sets of standards were being used for housing loans. One set was established for counties participating in the rural development program, and another set was used for other counties of the Nation. The committee disapproved of this policy in its report last year. It has been informed that necessary changes have been made since January. It is expected that all regions will continue to be treated on the same basis.

The repayment record under this program has been excellent through the years. Repayments of both principal and interest continue to exceed the face value of loans due and repayable. Also, annual collections are beginning to approximate amounts loaned each year.

Again, there is lots of money in this bill. But may I say to you that the main difference between agriculture and other segments is that labor can pass on any increase in wages it gets by bargaining, by the minimum wage laws, and such, as a part of the retail price. I do not know how to estimate what the increased income may be to industry by reason of its markup. I do not know, and you do not know. However, if labor does not prosper agriculture cannot, if labor does not prosper industry cannot, neither can we have a prosperous labor or industry unless agriculture is prosperous. One of the chief differences between what we do by law for other segments and what we do for agriculture is that agriculture's is identifiable, it sticks out, you can see it. The other is there equally as much if you analyze it.

In this bill we have divided the amount in half and each half into three parts, like Gaul, but we did that because we want you to see what the money has gone for so that we may let each tub stand on its own bottom.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Dakota.

Mr. SHORT. I should like to ask a couple of questions.

First of all, I want to compliment the gentleman for a very forthright analysis of this agricultural appropriation bill. Certainly I think the gentleman should

be commended for putting into proper perspective, or at least making a diligent effort to put into proper perspective the relationship between the expenditures that are probably for agriculture and the expenditures that get into a far different category.

The first question I should like to ask is this: I notice the appropriation for the International Wheat Agreement for 1960 was \$32 million, the budget for 1961 is \$88,790,000, an increase of some \$56 million.

Can the gentleman explain to me this item, and I am not criticizing, I am just seeking information.

Mr. WHITTEN. The International Wheat Agreement commits us to certain payments. Whatever is handled under the International Wheat Agreement, the Commodity Credit Corporation is committed to. The Corporation has already spent the money. So what you see here is the money spent under that agreement. Since it has been spent, there is nothing else for us to do but pick up the tab.

Mr. SHORT. This is our contribution to the cost of maintaining the International Wheat Agreement; is that correct?

Mr. WHITTEN. That is the cost to us of participation in the International Wheat Agreement, with all of its ramifications.

Mr. SHORT. I thank the gentleman for that information. And, I seek a little further information, and would like to ask one more question. In regard to the appropriation for the Foreign Agricultural Service, first of all I would like to commend the Foreign Agricultural Service for the job that they are doing around the world. I think they have some extremely able people; I think they have some realistic people who are doing a real good job in furthering the marketing of American agricultural products all over the world. Again I would like to ask, Do we utilize to the greatest possible extent the foreign currencies that are generated in foreign countries under Public Law 480 in defraying the cost of maintaining not only our Foreign Agricultural Service representatives but, I might ask, in defraying the cost of all our foreign installations in foreign countries?

Mr. WHITTEN. We certainly do. Unfortunately, we generate most of these currencies in countries where we do not have much use for them. In those countries where we really could use them, we do not generate many currencies. But, to the fullest extent possible, we do use them.

Again I say, foreign currencies are not subject to complete control by our subcommittee or the Committee on Appropriations. The basic act provides that only a small percent is available for U.S. uses. Not only that, but the executive department down through the years has taken currencies generated by agriculture, for which we have to pick up the tab, and used them for other governmental purposes. Many of us feel that the agricultural problem should be met first, and our committee says so in the report and in the bill. Of course, there

again we do not control anything, only do the best we can.

Mr. SHORT. It just seems to be practical, sound, commonsense, wherever in those cases it is possible, to use these foreign currencies to the greatest extent possible.

Mr. WHITTEN. A lot of it is used to promote new markets, and a lot of it is used for research on diseases that we do not happen to have here but which are a threat all the time. So to the fullest extent possible they are being used.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. BOW. In the present fiscal year there has been some difficulty in the meat processing plants because of lack of funds for inspectors. Can the gentleman say whether there are sufficient funds in the bill this year to take care of the inspectors in the plants in the next fiscal year?

Mr. WHITTEN. The committee feels that there are. We have gone along with the full amount requested by the Bureau of the Budget, and they have made their recommendation after a thorough study of the situation.

Mr. BOW. The processing plants have been practically or partially shut down because of lack of inspectors.

Mr. WHITTEN. The problem is supposed to have been met.

Mr. BOW. I thank the gentleman.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. MARSHALL. What I consider to be my greatest privilege as a Member of this Congress is the privilege of serving on the Committee on Agricultural Appropriations under the most able chairmanship of the gentleman from Mississippi, Mr. JAMIE WHITTEN.

As the gentleman from Mississippi mentioned in his remarks, he has had legal training, but coupled with that legal training he has one of the best agricultural minds of anyone in the United States. JAMIE WHITTEN'S understanding of the authority of the Commodity Credit Corporation, enabled us to force the export sales program. He clearly initiated the watershed protection in the Democratic platform of 1952 and later when our subcommittee set up the pilot plant program which led to Public Law 566. We initiated the construction of laboratories for research on many problems facing us. I want to say that the people of this country and particularly the farmers of this country are extremely fortunate that the gentleman from Mississippi is the chairman of this subcommittee.

Mr. WHITTEN. I thank my friend, the gentleman from Minnesota, FRED MARSHALL. Knowing of his knowledge, interest in, and contributions to agriculture, I doubly appreciate his statement.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. I cannot let this opportunity go by but to

concur in what the gentleman from Minnesota [Mr. MARSHALL] has stated about our good chairman. I have served with the gentleman from Mississippi for about 18 years on the Committee on Appropriations, and I think that the farmers of America owe to the gentleman from Mississippi, JAMIE WHITTEN, a real debt of gratitude. He has done much more for the farmer than the average Congressman comprehends, as far as agriculture is concerned. He has done much to persuade the Commodity Credit Corporation to lower the huge stocks of cotton and sell them in the markets abroad. His work on soil conservation and things of that nature has not been exceeded by any Member of this Congress.

I am so very well pleased, as the ranking minority member of this subcommittee, that I have the opportunity to serve under a gentleman such as the gentleman from Mississippi, JAMIE WHITTEN.

Mr. WHITTEN. Mr. Chairman, I thank the gentleman for his very kind remarks. He and I have worked together for agriculture. Many members say we have worked so closely that seldom if ever do our views differ.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. SISK. I, too, wish to join my colleagues in complimenting the gentleman from Mississippi [Mr. WHITTEN] on an outstanding job. I realize the problems he has, particularly in this area, with the number of attacks that are made upon our various farm programs.

Mr. Chairman, I would like to ask the gentleman about testimony of the Department with reference to soil and water conservation loans under the Farmers Home Administration. I think the gentleman probably will remember that I spoke to him about this and also corresponded with him on it. I was curious to know, in view of the fact that there was no increase—I believe the bill calls for \$3 million, which is the same amount as was appropriated last year. The appropriation last year was used up in the first 45 days of the year. Of course, there was no money available throughout the balance of the year. I would appreciate it if the gentleman would explain to me what the Department's position was on this and to what extent he discussed with them what might be done, if anything, to make this money available, because it seems to me now that it represents a delusion, to some extent, suffered by our farmers.

Mr. WHITTEN. Mr. Chairman, may I say to the gentleman that the Department supported the Budget figure as being what they could well use under present conditions.

I do not know how much money could be spent in the general area of flood control and watershed protection. I guess the whole national budget could well be used; it is that big and there is that much interest in it. All that we are trying to do is to go along with the Department and its planners.

May I say again that in this watershed protection field there is over \$22 million more in this bill than there was last year.

Mr. SISK. May I clarify the point I was trying to make? I was referring to the soil and water conservation loans under the Farmers Home Administration. This has nothing to do with watershed protection.

Mr. WHITTEN. The overall problem is what I was trying to address myself to.

Mr. SISK. I appreciate that. May I ask the gentleman one further question; as to whether or not his committee has given any thought to the idea of permitting—I realize, of course, that probably this would come under the jurisdiction of another committee—but of permitting interest rates to go up, or of permitting Farmers Home Administration to insure loans at a higher rate of interest than at present. What we are concerned with now is that local banks will not participate in the matter of insuring loans under the present interest ceiling. So as a result, in this program, we do have some real shortcomings. I am speaking specifically with reference to the money provided the Farmers Home Administration for loans to farmers for the deepening of wells or the digging of new wells, and so forth, separate and apart from watershed legislation.

Mr. WHITTEN. May I say that when you have a bill that carries as much as this bill does, it is mighty hard to come here with an increase in the budget. I just hope that the gentleman will take this matter up with the Department for consideration in the next budget. I realize the soundness of the gentleman's proposal, but there is just so much a horse can carry, and we have done about all we can in this particular bill.

Mr. SISK. I thank the gentleman for yielding. We have had long and interesting discussions with the Department on this subject.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. SMITH of Iowa. I want to compliment the chairman and subcommittee on this bill. However, the hearings on this bill were closed before we knew to what extent the farmers would participate in the new feed grain program. Since the hearings have closed, we know there is going to be a much broader participation than most had expected. The money needed to check compliance will therefore be increased in comparison to the amount estimated at the time of the hearings. I understand the updated figures and requests will be submitted to the Senate. Consequently, I should like to know if the gentleman thinks there might have to be a revision in conference in the figure for this program.

Mr. WHITTEN. The funds required will have to be provided. The Department picked its figure out of the air, and we substituted our own, which was arrived at in somewhat the same way. But if this program takes additional money, we will be right there to provide it.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. The gentleman has mentioned that the amount of the bill is about \$6 billion. That is a terrific amount of money. Not long ago I heard a statement made that what agriculture needs is a better public relations job, that some of the people of the United States might believe that this \$6 billion is all going to agriculture. I repeat what I have said before, that some day, somehow, some differentiation must be made as to what benefits agriculture and what benefits the entire economy.

Mr. WHITTEN. You are absolutely correct. In our report last year we attempted to show how much of the annual appropriations in the agriculture bill have direct benefits to the general public. That analysis showed that over 54 percent of the funds were spent for programs which benefit the general public as well as the farmer.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. NELSEN. I notice on page 27 dealing with rural electrification there is a paragraph that aroused my curiosity. It reads:

In connection with new loans, the REA should determine a proper level of reserve for each applicant, should set up proper criteria for granting new loans, and should make certain that funds are used for the purposes for which they are made available.

The implication is made that some funds have been used for purposes other than those for which they have been made available. Has it come to the attention of the committee that any such thing has happened?

Mr. WHITTEN. The committee had some question as to whether the Department had ever made a determination as to what an adequate reserve was. For the last several years they have testified they were considering it and working on it. There have been rumors and reports, about which I have no specific information. What we included in the report we think is adequate.

Mr. NELSEN. There has been some criticism that has come to my attention. I believe this language is well taken.

Mr. WHITTEN. Without specific information we did not want to set out an indictment or anything of the sort. What we have said we think is sound business. The representatives of REA indicated they meant to do that, but we thought we might repeat our position again.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. BALDWIN. I should like to express my personal appreciation to the gentleman and the members of the subcommittee for establishing a contingency reserve fund of \$1 million and for the sympathetic consideration you gave to many of us who appeared before your subcommittee on the problem of pear decline in the Pacific States. We appreciate

the action you have taken in the bill on this problem.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. BREEDING. I, too, want to join my colleagues in congratulating the gentleman from Mississippi on his wonderful work on this committee in reporting out this bill. I come from an area that grows a great deal of wheat and we are interested in markets and market development. I notice in your report here on page 23 with reference to the foreign agricultural service that the committee recommended a direct appropriation of \$12,457,000. I want to ask the gentleman these questions.

First. The initial budget estimate indicated that \$8,893,000 of the dollar appropriation requested for the foreign agricultural service would be for agricultural market development abroad. How much of the \$12,457,000 recommended in your bill, which is now under consideration, is supposed to be for market development abroad?

Second. Since the use of the \$3,444,000 of Public Law 480 foreign currencies recommended for the Foreign Agricultural Service in the bill under consideration is specified for agricultural market development abroad, it is assumed that these currencies can only be used for such purposes. However, is the same true in respect to the dollars intended for agricultural market development and included in the appropriation recommended for the Foreign Agricultural Service in the bill under consideration?

Third. Since Public Law 480 specifies that not less than 5 percent of the proceeds from title I sales and loan repayments shall be made available in advance for agricultural market development, abroad, why is the amount of foreign currencies recommended for market development abroad so low in the bill under consideration? If such currencies are not used for market development abroad, what will they be used for? Why was not the maximum use of Public Law 480 foreign currencies specified for agricultural market development abroad? Where possible, why was not conversion of such currencies required in order to generate funds for use for market development purposes in those countries which are or offer reasonable potential of becoming dollar markets? Would not the use of Public Law 480 foreign currencies instead of dollars assist in correcting the balance-of-payments problem which the United States has been experiencing?

Fourth. Why has agricultural market development abroad been given such low priority in the allocation of foreign currencies accruing under title I of Public Law 480 when the legislative history of the act so clearly indicates that Congress intends that priority be given to this important activity?

Fifth. Carrying out market development abroad through private trade and industry groups has proven to be a sound basis for developing export markets for American agricultural products. Will the funds for market development which

are included in the dollar and foreign currency appropriations recommended for the Foreign Agricultural Service in the bill under consideration be used in collaboration with private trade and industry groups?

Mr. WHITTEN. May I say to the gentleman that we have gone along with the Department's recommendations in this matter. The market development funds in both appropriations are intended to be used to purchase local currency as fully as possible for market development purposes in cooperation with trade and industry groups.

I counseled personally with our former colleague, Congressman Hope, who, as the gentleman knows, represents some of the wheat interests. I have talked with the gentleman from Kansas himself. We have gone all out to bring about cooperation in providing markets to the fullest extent possible.

There is language in the bill tying down foreign currency to the fullest extent possible in line with basic law, which came from the Committee on Agriculture. But again this is a matter that is beyond our control. Other agencies of Government also have a voice in the handling of these funds.

Mr. Chairman, I do not wish to close without expressing my sincere appreciation to my colleagues on this subcommittee for their gracious statements and their cooperation. Let me say that each one of them has contributed greatly to the welfare of agriculture. This bill has been a committee effort.

BILL NATCHER, from the tobacco country of Kentucky, is an able member of the subcommittee. FRED SANTANGELO, of New York City, has done so much for his country and has added so much to this committee. JOHN SLACK, of West Virginia, is serving his first term on the committee. He is an able and effective member and his interest and counsel are invaluable.

The interest of both CARL ANDERSEN and WALT HORAN and their efforts for agriculture through the years have been unsurpassed. BOB MICHEL, from Illinois, happens to have different views on some matters than my own, but no one can question his deep interest and efforts for American agriculture.

I am proud to serve with each of them.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield myself such time as I may require.

(Mr. ANDERSEN of Minnesota asked and was given permission to revise and extend his remarks.)

Mr. ANDERSEN of Minnesota. Mr. Chairman, it has been a pleasure to serve with these gentlemen on the Subcommittee on Appropriations for Agriculture. I regret losing the close association on the subcommittee with my very good friend, the gentleman from Minnesota [Mr. MARSHALL]. I also want to pay tribute to Mr. HORAN, Mr. MICHEL, Mr. NATCHER, Mr. SANTANGELO, Mr. SLACK, and our capable chairman, Mr. WHITTEN, for the splendid job they are doing for the farmers of America. Again, I repeat, it is a pleasure to serve with gentlemen of such stature.

Mr. Chairman, the agricultural appropriation bill has been discussed, at least the major portions of it, and I intend to use a few minutes this afternoon to touch upon basic agricultural legislation. We on the Subcommittee on Appropriations for Agriculture can only really act after the deed is done, so to speak. We have throughout the years influenced the trend of legislation, as has been pointed out by the chairman, when the Andersen-Hope pilot watershed program was first enacted; when we on the subcommittee were responsible for transferring the Foreign Agricultural Service from the Department of State to the Department of Agriculture; and when the conservation reserve had its beginning in this particular subcommittee through the efforts of Mr. MARSHALL and myself.

In my 23 years in the House of Representatives I have been a staunch supporter of farm legislation. I have always sought to set aside completely any partisan, sectional, or such considerations in my approach to a solution of the farm problem, as evidenced by the fact that I recently voted for the feed-grain program on the floor of the House when only three other Republicans did so. I personally stand ready to support any bill by any author which contains the basic, essential provisions necessary for solving the economic and supply problems which now plague American agriculture, so long as such bill is in the best interests of all Americans.

Thomas Jefferson warned of the pitfalls awaiting us if we ever departed from our basic philosophy when he said:

Arm not the magistrate with too much power lest you be taxed in your eat, your meat, your drink, and your recreation and your freedom be lost.

I have carefully analyzed H.R. 6400, the Freeman omnibus farm bill, and am forced to conclude that the proposal is a legislative monstrosity. It would give the Secretary of Agriculture, an appointed official, and his successors unprecedented powers over American agriculture—powers to undertake any type of program for setting farm prices and controlling production and marketing that he saw fit—regardless of cost. It would include the power to set base periods; the power to establish minimum allotments; the power to grant exemptions; the power to make direct payments; the power to limit payments to individuals; the power to provide for the transfer and sale of farm marketing allotments and quotas; the power to establish conditions of eligibility for price supports; the power to hand-pick the farmer advisory committees; the power to disregard their advice; the power to terminate their services, and the power to develop marketing quotas for any agricultural commodity including all grains, dry beans, hogs, cattle, lambs, chickens, turkeys, whole milk, and butterfat.

The supporters of this unprecedented bill accuse those who are opposed to it, of letting their imagination run away with them in being unduly disturbed by the concentration of power in the hands of one man. But no one has explained away the fact that Congress would—by

the enactment of this bill—abdicate to an appointed official, its constitutional prerogative to develop legislative policy, retaining only the right of veto and even that right is somewhat beclouded.

As I have said, I am a strong advocate of farm programs. We all know that we must have farm legislation of some type. But why must we have programs which involve such mountainous volume of detail and the unnecessarily huge amount of paperwork and the ever increasing army of personnel? The costs for the administration of a separate program for each and every commodity would be staggering.

There has been a great deal of misunderstanding and confusion at the Washington level and at the State, county, and farm levels in the administration of the feed grain program, and that involved only two commodities—corn and grain sorghum—for which acres and yields had to be determined. Can you then visualize the cost, the manpower and the confusion that would result from the administration of a separate program for each individual commodity, each such program supposedly written by the producers of that particular commodity?

By comparison, let us look at the simplicity and the economical provisions of the green acres program which I introduced last year and which was the only major farm amendment approved by the House of Representatives last year. This green acres bill was reintroduced at the opening session of Congress this year as H.R. 40.

The cornerstone of the green acres farm program is the requirement, after approval is a single nationwide farmer referendum, that every farmer producing price supported crops such as wheat, corn, oats, rye, barley, grain sorghums, soybeans, and flaxseeds, in order to qualify for the benefits under the bill must have a minimum of 20 percent of his cropland in green acres, that is, grass, hay, or tame pasture.

Farmers who already have 20 percent or more of their cropland under green cover would be immediately eligible for the green acres benefits. They are farming their land now as it should be farmed.

To liquidate the price-depressing surpluses now stored at huge cost, additional payment-in-kind is provided equal to 80 percent of the farmer's average yield for additional cropland taken completely out of production, not to exceed one-half of the total cropland.

In addition to the green acres, the bill provides that participating farmers could produce any and all of these grains, and receive a price support of 80 percent of parity during the first 2 years, 85 percent the next 2 years, and 90 percent of parity thereafter. This can be done because 32 million acres of cropland are retired without cost to the taxpayers. The farmer has balanced production with consumption and his remaining production justifies an increased price level, at very little cost to the consumer, but providing a tremendous shot in the arm of our Nation's economy.

With no surplus production, this price support schedule will cost the taxpayer very little, since commodities on hand are used in lieu of cash outlay. Most of the county ASC offices have the history and acreage record for every farm in their respective county, hence administration costs will be as low as any possible program can be.

The green acres program as proposed contains numerous provisions previously advanced by other able and distinguished Members of Congress. The payment-in-kind feature, for example, may be found in several bills including the feed-grain bill, where it is now in use. The idea of payments-in-kind has long been advocated by such able colleagues as the gentleman from Iowa [Mr. JENSEN], along with his colleague the gentleman from Iowa [Mr. HOEVEN], the distinguished chairman of my Subcommittee on Agricultural Appropriations, the gentleman from Mississippi [Mr. WHITTEN], and the gentleman from Minnesota [Mr. MARSHALL]. The latter gentleman and I were the original authors of the present conservation reserve.

I personally discussed the green acres proposal with more than 400 farmers, ASC committeemen, county agents, conservationists, livestock men, and others representing a cross section of Midwest agriculture. As a result of these discussions, the initial idea was considerably modified and several very valuable improvements were made. The green acres program is the result of the combined thinking of a cross section of farm people and the leaders, and I want to acknowledge their help and express my personal appreciation for their contributions. It is a program which requires only one administrative verification—and that is, the proper measurement of the 20 percent of retired green acres. This 20 percent can be rotated in order to make sure that the Government gets the average—not the poorest—of the farmland.

Section 2 of H.R. 40 provides for a nationwide referendum to permit farmers to determine for themselves whether or not they want this program to go into operation. Since every farmer in the United States who produced wheat, corn, oats, rye, barley, grain sorghums, soybeans and flaxseed would be immediately affected, all of those producers who produced one or more of these commodities in at least 3 of the last 5 years would be eligible to vote in the referendum. If two-thirds or more of the producers voting in the referendum favored the program presented to them, it would be in effect for 1962 and thereafter unless the Congress authorized and the Secretary of Agriculture conducted another referendum on this or a modified program.

Section 3 covers the green acres provision and is the cornerstone of the entire proposal. Beginning with the 1962 crop, all producers of the commodities enumerated earlier would be required to put at least 20 percent of their total cropland under green cover. Farmers would receive no direct compensation for so doing, and they would be free to do anything they wanted to with these green

acres other than the production of price supported crops. They could graze it, cut hay off of it, put it into wildlife cover, and so forth. The principal stipulation would be that it must be under green cover and not in the production of nonconserving crops. This is mandatory after two-thirds of the Nation's producers have so voted. This is the only compulsion or control in this bill.

Everyone we discussed this with advised us that it must be absolutely enforceable. To make it effective we have put some real teeth into it by providing a penalty of 50 percent of the total production on any farm not in compliance with the green acres provision. This penalty would be in the amount of one-half the value of the violator's total production the year of his noncompliance and we believe there would be little or no noncompliance.

Section 4 provides a vital incentive insofar as farmers and our rural economy are concerned. Under this section price supports on all the commodities listed would be set at 80 percent of parity the first 2 years, at 85 percent the next 2 years, and at 90 percent of parity thereafter. The reduction in surpluses will make this possible at less cost—far less than the present feed grain program.

Section 5 contains the provisions for the liquidation of present surpluses; the maintenance of an adequate supply for the protection of consumers, world markets, and food-for-peace programs; and the balancing of farm production in the future. We provide for that balance by regulating the amount of green acres needed. The payment-in-kind program is to be entirely optional with the producer, but we have purposely set the rate at 80 percent of average yields to make it attractive to producers. We must use up on the farm the bulk of our present commodity holdings. In addition, we have set a maximum of 50 percent of any farm which may be temporarily retired from production in the best interests of farm families and the local economies. Mr. Marshall and I had always urged this step in relation to the conservation reserve. The previous Secretary of Agriculture decided otherwise.

There is also another payment-in-kind feature in this section relative to the green acres retired from cropland under section 3. To protect the livestock economy against a flood of cheap hay, we authorize an optional 25 percent of normal yield payment-in-kind for the complete retirement of this cropland. Please note that all payments come directly out of taxpayer-owned commodity credit stocks.

Section 6 provides that the acreage diverted either into green acres or by payment-in-kind shall be in addition to any acreage already in the conservation reserve. The present 27 million acres under conservation reserve are to run their course.

Section 7 assures producers eligibility for ACP cost-share payments on their farms, including the green acres and land diverted under payment-in-kind.

Section 8 provides that the program shall be administered by the farmer-

elected committees which are already in existence. This is the most effective known form of administration for farm programs.

Section 9 directs the Secretary of Agriculture to transmit annual reports to the Congress in order that the operations of the green acres program may be constantly reviewed. In addition, it provides that any increase in the percentage of cropland required under the green acres provision shall first be approved by Congress and then submitted to producers in another nationwide referendum.

Section 10 guarantees to cotton, peanut, rice, tobacco and wheat producers that no terms of this measure shall in any way affect their present programs of acreage allotments, marketing quotas or price supports except for the 80 percent of parity price support floor under wheat.

That, Mr. Chairman, is a section-by-section summary of the bill.

I would like to emphasize the fact that the entire program proposed in this bill will cost the taxpayers little or nothing more than the costs of administration and the release of surplus CCC stocks which are now actually costing us about \$600 million a year to store. The savings in total costs would be enormous, not to mention the nationwide benefits that would accrue from a prosperous and healthy farm economy.

Mr. SANTANGELO. Mr. Chairman, I yield myself such time as I may consume.

(Mr. SANTANGELO asked and was given permission to revise and extend his remarks.)

Mr. SANTANGELO. Mr. Chairman, I support this bill, H.R. 7444, making appropriations for the Department of Agriculture and related agencies and for other purposes. Before commenting on the contents of this appropriation bill, I would like to take this opportunity to commend the chairman of the subcommittee, Mr. JAMIE WHITTEN, for the efficiency and completeness of the hearings and the solicitude he has shown to me and the members of this subcommittee. I want to commend my good friend, the gentleman from Kentucky [Mr. NATCHER], for the constant aid, advice, and assistance he gives me throughout the hearings. I have derived a great deal of pleasure from my association with Representatives CARL ANDERSEN, of Minnesota, WALT HORAN, of Washington, ROBERT MICHEL, of Illinois, and the new addition to the committee, Representative JOHN SLACK, from West Virginia. My recent trips to the farmlands of the United States in Texas, Puerto Rico, California, Arkansas, and Asia, have not only been arduous and pleasant, but also have given me a keen insight into the agricultural problems which beset farmers and the American people.

I would like to make a few general observations about this bill and about agriculture. In the race to reach outer space, the planets, and to get out of this world, some people seem to forget that the most basic factor in our national existence on earth is agriculture. We should never forget the moral of the legend of the semigod, Hercules, wrest-

ling with the giant, Antaeus, that the further away from the land we go the weaker we become, and the closer to the soil we stay the stronger we get.

Agriculture is still the mainstay of our economy. It provides the basic necessities of life, food, and fiber. The farms of our country feed not only the 180 million people of these United States, but serve the needs of additional millions throughout the world. They accomplish this result with fewer farmers, but with superior technological skill and with improved machinery. Agriculture provides basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates \$7 of income throughout the rest of our country. Certain programs which ostensibly benefit farmers and farms also carry with them tremendous benefits to the urban dweller and the residents of suburbia. If I seem to be an apologist for farm programs, it is because during my inspection trips I have seen and observed, and during the hearings I have listened. Also, because as a consumer, I recognize that without the produce and the fruits of the farms we in the cities, despite hydroponic developments, could not last very long. As a consequence, I believe that despite many abuses and weaknesses in the farm program that the interests of farmers and city folk dovetail, and we are mutually dependent. Our independence as groups, and as persons, rests on the basis that we are dependent on each other.

Recently, in February of this year in Dallas, Tex., I had the opportunity to speak before the National Rural Electric Cooperative Association national convention, which was attended by approximately 8,000 members from all over the United States. In my talk I detailed the reciprocal benefits of the REA program to the city resident and farmer. I stated at that time my observations, which are still valid today: that, if we in the cities feel that we paid taxes to underwrite and finance the original REA funds and loans, history has demonstrated that because of this program we in the cities have been repaid many fold by increased business, by better food, and by increased employment. The report of the former Secretary of Agriculture, Mr. Ezra Benson, described the benefits to the farmer in the terms of human needs, but it omitted to set forth the benefits which are correlative and which have been and are being generated by the increased use and consumption of electric power. I believe that these benefits and the relationship between the rural resident and the city dweller are interdependent and go hand in glove. They should not be overlooked but should be emphasized.

To the farmer and his family, rural electrification means many things and has provided many advantages. To the farmer, rural electrification has meant a radio and television set, warning of an oncoming frost in Georgia or a late market report in Iowa or the price of cotton futures to the Texans. It means a pleasant evening at home, a political

debate between candidates or educational programs for the family. In 1959 the farmer's new gadgets benefited the city man by opening up a market for the sale of 3,200,000 television sets with the attendant employment for the tradesmen, the electricians, the mechanics, the Charlie Chaplin-type automats. It means advertising fees for the merchants of discontent and Madison Avenue advertisers, a market for the television broadcasters and their networks which span the Nation. It means the illegal loot for quiz showmen, diskjockeys, and quack pundits answering the \$64,000 question.

The rural electrification program means now that the farmer has light to read by on a dark night. On the other hand, the farmer's enjoyment in reading gives a reciprocal benefit to a city person and businessman. It means a sale of books and magazines, book-of-the-month club, and the production of electric bulbs. It means greater circulation for *Time*, *Look*, *Life*, *Reader's Digest*, and the *Atlantic Monthly*, as well as the *Sears Roebuck* catalog.

Rural electrification to the rural housewife means ironing without stoking a range red hot to heat a flatiron. This benefit to the rural woman means sales by the city merchant, increased production, and consequently, increased employment.

To a rural youth, the benefits of rural electrification means changing his mind about seeking his fortune in the city and making plans to stay on the ranch after graduation. To the city folk, administrators, and officials, it means that the boy who stays on the farm, represents one less misguided juvenile delinquent in the city streets, and one less person congesting youth houses and living in our overcrowded cities.

To the rural farmer, rural electrification means refrigeration—modern freezers and refrigerators—without the inconvenience of lugging ice into the icebox or the tedious chores of preserving ice in a icehouse covered with sawdust. To both the city folk and the rural farmer, refrigeration means better food all year round, less harmful bacteria in the food supply, in milk, and less contamination and potentially lower consumer prices of milk, meat, and Mozzarella—cheese. To the city manufacturer in the year 1959, refrigeration meant the sale of 2,030,000 electric freezers, 3,780,000 electric refrigerators, with the concomitant employment in production and in trade. To the housewife, electric washing machines, and electric dishwashers mean less drudgery, cleaner garments, and more leisure time. To the city people, it means employment, sales, of numerous detergents, such as *Fab*, *Comet*, *Ajax*, *Tide*, *Clean*, *Lux*, and *Duz*, with their TV-doggerels and limericks. Summed up, it means that rural electrification has brought about a greater self-respect for millions of American families. It means comfort in the home, greater efficiency on the farm, and dignity to the individual, and a train of benefits to its fellow urbanites.

This farm program, the REA, for which we make appropriations in this

bill, upon a survey was found to have generated a billion dollars of business annually in appliance sales and that over 4,200,000 have purchased many of these appliances because of the availability of electric power. Other areas exist in which interest between the rural communities and the city sections can be spelled out. In the garment and textile industries, I believe, a survey would be informative to see how much of an increase in the sale of clothing has been brought about as a result of the raising of the standard of living of people residing in the rural communities. If these relationships, the interdependency between the city and the farm people, are fully developed and explored, and the results publicized, I am confident that rural folks would not feel antagonistic, estranged, or indifferent to city problems, and we who live in the city and read about soil-bank payments and farm subsidies might be more sympathetic to the rural problems and farm programs.

Because of the widespread notion that the farm program contains features which are wasteful and which are giveaways, the committee in its report has sought to identify the recipients of America's bounty and to earmark the objects of several appropriations. There are appropriations for agriculture's regular activities, appropriations restoring the Commodity Corporation capital impairment, and appropriations for foreign assistance. Some of these should not be changed in logic nor in fairness to farmers, inasmuch as they serve our foreign policy, our unemployed, our children and oftentimes our consumers. Fairness and equity dictate that those who benefit directly or indirectly should be made aware of their obligations and should acknowledge their participation in these farm benefits.

This bill recommends a total appropriation of \$5,948,566,000 a decrease of over \$140,000,000 from the budget request. This bill recommends for regular activities for fiscal year 1962, the sum of \$1,379,006,000; for reimbursement to the Commodity Credit Corporation for fiscal year 1960, this bill recommends \$1,017,610,000.

The committee also recommends a reimbursement for the foreign assistance and special activities expenditures made by CCC in fiscal year 1961, the sum of \$1,951,915,000. To put the foreign assistance programs on a pay-as-you-go basis, the committee has recommended an appropriation of \$1,600 million. This bill recommends \$345 million in loan authorizations for REA and RTA.

The committee report from pages 12 to 15 details the regular activities of the Department of Agriculture. These include agricultural research services which do a tremendous job in preventing and eradicating disease in livestock, in animals, and in poultry. It has had great success in the prevention and eradication of tuberculosis, hog cholera, brucellosis, and airsacculitis of poultry. This research helps mankind to control insects which if left unchecked would destroy agriculture's produce both in food and in fiber. While the farmer is aided in his endeavors to preserve his production, the consumer is also pro-

tected in the type of food he eats and the clothes he wears.

In connection with the price support programs which I know city representatives and the country are concerned with and critical of, I direct your attention to page 33 of the committee report wherein the price support costs for fiscal year 1959 and 1960 are listed.

These figures show that while less than half of the 1960 costs was due to loss on commodities under price support operations, that payments to nonfarm groups exceeded payments to farmers. These figures of losses show that the taxpayer in 1960 subsidized farmers to the extent of approximately three-quarters of a billion dollars, and that nonfarm groups received in 1960 over \$850 million for storage, transportation, interest and administrative expense. These are expenditures which should be cut down and can be reduced if the farm groups and other ancillary organizations cooperate.

I would like to mention one other item in the appropriation bill which city residents appreciate, and that is the school lunch program. The bill provides \$125 million for fiscal year 1962 in cash payments for school lunches. This sum represents \$5 million more than the budgets of President Eisenhower and President Kennedy have provided and it is \$15 million more than last year's budget. Of this \$15 million, \$10 million is included to provide special assistance to help particularly needed schools defray the cost of serving luncheons to needy children. Language is included to authorize the Secretary of Agriculture to allocate money to areas of the greatest need and to prescribe standards and criteria under which the fund will be used. The school lunch program serves the farmer by providing outlets for the consumption of his products, it helps develop stronger bodies among our schoolchildren, and it encourages and develops new tastes and a greater consumption of our food supply.

During the year 1960, 62,975 schools participated. In 1960, 12,800,000 children received school lunches and further substantial increases have occurred in the present school year. We are hopeful that with these additional \$15 million, together with the \$44 million authorized to be used from section 32 funds—that is the customs receipts—to purchase red meats and other foods needed to provide a balanced diet for schoolchildren, and we are hopeful that these appropriations will help correct some of the imbalance which has developed between the rate of Federal assistance and the rate of schoolchildren participation in this program.

This bill deserves your support and I trust that it will be passed.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to my chairman.

Mr. WHITTEN. I wish to say to the gentleman from New York that I appreciate very much, and I am sure the membership does, the speech he is making here. I want to say for the record that the gentleman from New York has made a great contribution to all Amer-

ica in his service on this committee, in seeing how these programs fit together and in seeing that the moneys are handled in the best way possible. Since he has been on this committee, the gentleman's contributions to the school lunch program have been immeasurable. I wish to say again the gentleman from New York has rendered and is rendering outstanding service, and I want the record to show we all appreciate it very much.

Mr. SANTANGELO. I thank the gentleman for his generous remarks.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I had the privilege to go out through the country to look into some agricultural problems with the gentleman from New York. I would like to say the gentleman from New York has made a great contribution not only to people in the agricultural areas of the Nation, but to the people of New York City as well by bringing about a better understanding between the people of the city of New York and the people of the country at large. Every time we met with any group to discuss the problems of agriculture, the gentleman from New York did a marvelous job of public relations. I would like to say for the record that I have gotten over the feeling that New York was a city that did not care anything about the rest of the Nation because through my association with the gentleman from New York, I have learned that our colleague from New York is concerned for all the people and he has a great heart for all the people of the United States and he has made a splendid contribution toward better understanding between the people of cities like New York and the country as a whole.

Mr. SANTANGELO. I thank the gentleman from Minnesota [Mr. MARSHALL]. My colleague has been very helpful to me in my efforts to have a better understanding of these problems.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. First I want to say that this is one of the very best speeches I have heard in this House in the years of my service here. The gentleman from New York has been able to do that because he has studied the subject matter, not only attending all the hearings of our committee but also having gotten hearings of other committees and studied them. I think we owe a great debt of gratitude to the gentleman from New York for the information he has brought us.

Mr. SANTANGELO. I thank the gentleman from Iowa, and I might say that as a result of information we received in Des Moines, Iowa, we were able to save the people of the United States \$72 million last year in storage costs alone by reason of a reduction in storage charges. This came about as a result of the work of the gentleman from Iowa and the Committee on Agriculture and

the Appropriations Subcommittee on Agriculture.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from New York.

Mr. OSTERTAG. Mr. Chairman, I would like to take this opportunity to pay tribute to the gentleman from New York for the fine statement he has just made in the field of agriculture, and the part he has played in bringing the consumer and the masses of our people together in this program and this problem. He has made a fine contribution as a member of the committee. I know of his particular interest in a project which I regret to say I find no funds for in this bill. I am referring to the so-called research facility for soil-water plant relationship at Cornell University in New York State.

The gentleman knows that this facility is listed as a desirable means to make a study, particularly with regard to soil-water plant relationship. I regret that the committee has not seen fit to include funds for this project in the bill. However, I do not want to call attention to the fact that the committee has made reference to this project on page 14 of the report. I note particularly that your committee in this report asks the Department of Agriculture to make a careful reevaluation of the priority position of this project, and assuming that if the Department could or would give this project a better position by way of importance the committee would see fit to provide funds.

Will the gentleman enlighten me about that?

Mr. SANTANGELO. I thank the gentleman for his kind remarks. As the Members of the House know, the Senate has set out a list of priorities which perhaps may or may not have any validity today. The program to which the gentleman referred has a low priority. Some of us feel it should have a higher priority. We have called upon the Department of Agriculture to reevaluate these programs and turn to the present need with relationship to their efficacy and the contribution to the whole economy of the United States.

Secondly, in regard to the soil-water plant research program I can say that we considered and we discussed it. We had hearings, there was testimony, the gentleman from New York testified and made a wonderful presentation. Last year the gentleman was instrumental in obtaining one-half million dollars for soil-water research. We have asked the Department of Agriculture to reevaluate these priorities which were lumped together in Senate document No. 59 to determine whether the research program in which the gentleman and New York are so keenly interested should not have a higher priority.

Mr. OSTERTAG. Has the gentleman's committee any estimate as to when the Department might come up with a reevaluation of this project so that money could be provided? Not this year, perhaps.

Mr. SANTANGELO. I will refer to the chairman of the subcommittee to

answer that question if he desires. We did refer this matter to the Department of Agriculture. I know of no commitments or any indication on their part as to when they will come up with a reevaluation. I assume that after they read our report, which was brought out only last week, that they have had little time to give it consideration and we will hear from them in the near future.

Mr. OSTERTAG. I thank the gentleman.

Mrs. WEIS. Mr. Chairman, I want to add my sentiments to those just expressed by my good friend and colleague, Representative HAROLD OSTERTAG.

Research in the field of soil-water-plant relationships is of vital importance to the farmers of the Northeastern United States and, for that matter, to farmers throughout the country. For this reason, I am disappointed that funds were not requested by Agriculture Secretary Freeman or made available by the committee for a soil-water-plant relationships laboratory at Cornell University.

However, I am encouraged to note in the committee report that the members of the committee have taken cognizance of the need for additional study in this area and have requested the Department of Agriculture to make a careful reevaluation of the priority position of the proposed soil-water-plant relationships facility.

I hope and trust that this reevaluation will be completed at an early date, that the Department will recognize the importance of assigning a high priority to this project and that the Congress will move expeditiously to make the necessary funds available.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Kansas.

Mr. BREEDING. I want to congratulate the gentleman from New York on the wonderful speech he has just made. It is real heartening to find one standing before the microphone in support of agriculture being a Member from the State of New York. It is not often that a Member from a metropolitan area stands up and speaks in favor of agriculture, as the gentleman from New York has just done.

Mr. SANTANGELO. I thank the gentleman from Kansas.

Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from California.

Mr. DOYLE. Mr. Chairman, I wish to add my voice to the fact that I am from a great metropolitan area also, namely, Los Angeles County, and I stand for agriculture needs as presented in this bill by the committee. I compliment the gentleman from New York on his splendid statement.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Washington.

Mr. HORAN. I appreciate the affection you folks all have for our colleague from New York, but I do rise at this time to inquire if the gentleman from Cali-

fornia [Mr. DOYLE] is not from one of the biggest dairy areas in the United States?

Mr. DOYLE. Yes; and I am very proud of it.

Mr. SANTANGELO. Now that we have spilled some milk, let us proceed with consideration of the bill.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, the Department of Agriculture appropriation bill, being considered by the House of Representatives today, includes a new approach to helping meet the always serious need for additional agriculture research.

This is the establishment for the first time a contingency research fund for \$1 million, available to the Administrator of the Agricultural Research Service to expedite work on research problems and to meet special research needs as they arise.

Members will note that the report on this bill states in the final paragraph on page 8: Such a fund will also be available to give increased emphasis to some of the many special problems presented to the Committee by Members of Congress and other witnesses this year, including basic research on wheat and grains, research on the improved digestibility of dry edible beans, barley and malt research, research on pear decline, forage and range research, soybean research, poultry research—particularly with reference to airsacculitis—soil and water conservation research, and others.

I would like to state, Mr. Chairman, that there is indeed a serious need for additional attention to research in these fields, as I testified before the Agriculture Subcommittee, Committee on Appropriations.

As an example, the problem of pear decline, which renders pear trees non-productive, has become alarmingly serious in the west coast States of Washington, Oregon, and California. The problem is so serious as to threaten the very existence of the west coast industry from which 95 percent of the Nation's Bartlett pears originate. The congressional delegations from the three States worked closely with the Department of Agriculture, land-grant college research people, and the industry to develop a crash research plan, the only ray of hope to stem this unsolved problem before the industry is rendered nonexistent. The three-State cooperative program, in which the industry and the States will share cost responsibility, requires a Federal effort in fiscal year 1962 of \$180,000, a modest sum considering the urgency and gravity of the problem. The committee, in the agricultural appropriations bill, has allowed \$90,200 specific effort to this end in fiscal year 1962, but has stated that the contingency research fund may be used for further pear decline research during the fiscal year.

Other specific research areas where the Contingency Research Fund may be used, and in which there is specific need in the Fourth Congressional District of the State of Washington, include soil and

water conservation, hops, dodder, mint wilt, sugarbeets, and dry edible beans.

The distinguished chairman of the Agricultural Appropriations Subcommittee discussed such a contingency research fund with me earlier in this session, and at that time I expressed to him a keen interest in such a plan as an effective method of administration of additional research by the Agricultural Research Service. I am, therefore, pleased to note that the committee has, in the legislation and report before us, made provision for the establishment of the plan.

(Mrs. MAY asked and was given permission to revise and extend her remarks.)

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 20 minutes to the gentleman from Washington [Mr. HORAN].

(Mr. HORAN asked and was given permission to revise and extend his remarks.)

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. Mr. Chairman, I would like to ask the gentleman from Washington concerning their subcommittee hearings with respect to the progress being made in the four regional research laboratories sponsored by the USDA, and what significant progress they are making, if any, in the field of research for greater utilization of our present surplus commodities.

Mr. HORAN. I would much prefer that the gentleman from Mississippi answer that question.

Mr. HARVEY of Indiana. Would the gentleman from Mississippi care to comment on that?

Mr. WHITTEN. If the gentleman would repeat his question, I would appreciate it.

Mr. HARVEY of Indiana. I was asking concerning the progress report from the regional research laboratories particularly in regard to the utilization of our present surplus commodities.

Mr. WHITTEN. Progress is being made, as the gentleman knows. An example is in the use of animal fats in plastics, and the hearings cite quite a number of illustrations of successes and of development. I refer the gentleman to the hearings, because they are spelled out in considerable degree in the hearings.

Mr. HARVEY of Indiana. Does there appear to be any significant breakthrough in any special area at this time?

Mr. WHITTEN. The one thing mentioned was the use of animal fats in plastics as a tremendous breakthrough. Animal fat is the one thing which has little, if any, market and of which we have a tremendous surplus. By the same token, plastics are becoming quite a big consumer item. So, tying the two together, I would say that the development that they have had there has probably in itself been worth all the money that we have spent in this activity.

Mr. HARVEY of Indiana. There seems to have been some sentiment in the past that too much money was being spent on personnel and that too much

of the funds have been used in the field of pure research and not enough in the field of utilization. Would the gentleman care to comment on that phase of the problem?

Mr. WHITTEN. Well, I would say it all depends on who you talk to. Those that are primarily interested in utilization research think they are getting too little and the others think they are getting too much. Actually we are doing a lot of research and trying to get the best results possible.

Mr. HORAN. If I may comment on this—and I do not want to consume all of my time on this phase—we are doing some very good work in utilization. Now, it is true that we can make industrial alcohol out of wheat, but we cannot make it economically out of wheat at \$2 a bushel. However, some of our utilization research is in the better preparation of wheat products for consumption by the human individual, and that is a utilization, I think, in the right direction.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Illinois.

Mr. MICHEL. In the bill itself there is an item of \$600,000 to press this matter of utilization research, particularly at the laboratories at Peoria, Ill., and Albany, Calif., where they are developing a high grade of starch used in the making of fine grades of paper. I think that is an accomplishment.

Mr. HARVEY of Indiana. I thank the gentleman very much.

Mr. HORAN. Mr. Chairman, it is the way we set our sails that determines our course. I make this observation as we here in the month of June 1961, consider the funds needed to implement our Department of Agriculture for the fiscal year 1962, which begins some 3 weeks from now. The late and beloved Senator Pat Harrison, of Mississippi, once said, and it was hardly original, that every one was entitled to his own opinion, when he found himself in conflict with the late President Franklin D. Roosevelt. Now, on this particular part of our national budget which is before us today, I beg leave to express some opinions of my own.

In a very great sense, we who serve on the Appropriations Committee are your servants. We have a duty to perform for the entire Congress. We try diligently to review the work that has been done by the various departments. We have in our mind the tax burdens—Federal, State, and local—which our people shoulder today. We know that the dollar, 100 cents in 1939 is 43.9 cents today. We also note whether the estimates before us involve increases over the previous year and we delve into the requests for additional personnel. It concerns me that almost every revised budget request does this. If we are to maintain fiscal sanity in this country, it is incumbent upon us that we do this. Incidentally, it is my intention to have more to say about this phase when our subcommittee has the Commerce appropriations bill before you here in a week or so from now.

There are those among our adversaries in the East who are convinced

that the United States is headed for some dismal years of fiscal instability. Hence, our work takes on an added importance. Not only should we think of our children and our children's children, who will be called upon to shoulder the costs of our current efforts, but I do feel that the fiscal stability of the United States is of vast importance to all our allies in the West and other friendly nations. These projects and programs which we annually consider are largely the result of legislation passed by the Congress. We do try to find out if these programs and projects are getting things done constructively, or if they are "halt and lame." If the latter, I think we have a duty to express our opinion and tell you so. Therefore, today, in expressing my brief opinions, I want to steer wide and clear from any placing of particular blame. My opinions and observations, I hope, will be construed as in the direction of constructiveness. I have served on this subcommittee during the services of five Secretaries of Agriculture. Every one of them was dedicated to what he thought was in the best interests of the American farmer. Personally, I think we lose sight of the principles that need debate and discussion when we dip to criticism of individuals and the creation of horrid images for political purposes. These certainly obscure the issue and fail to solve the problems of American agriculture. Every one of these five Secretaries of Agriculture have served during periods of great change. Technological revolution after technological revolution have visited our American farms during the last score of years. What was new in 1942 was obsolete a decade later, and what was new in 1952 is often antique as we consider the budget items here before us. When I observed that it is the way we set our sails that determines our course, I had reference to the fact that basically the sails under which our Ship of Agriculture is now sailing were set in 1938.

At that time we had visions of an ever-normal granary. And, we gave life to a program that would encourage our producers of basic crops to grow more. They did. And do not let anyone tell you that American agriculture failed in its task of winning the war. I think our bounty today is the greatest asset we have for finally winning the peace and ending the cold war. But the ever-normal granary idea also had a sort of anchor to leeward called marketing quotas and acreage allotments. This troublesome addition to the 1938 program just did not come out from under the political rocks until 1952. Meanwhile under various colors and garbs, we were helping to rebuild the devastated world. Our help then and now is going everywhere, as from a Christian-Judaeo nation, it should. We retooled such able competitors as West Germany and Japan. For a while we helped the always competent British to recoup. And, of course, we helped others to rebuild their industrial commerce. You know all about that. We always set forth to aid the so-called underdeveloped countries, and we have. But most of these coun-

tries are agricultural and their progress adds to the world's supply of farm products which concerns us here at home.

In the last 10 years, while we have reduced cotton acreages in the United States by well over 10 million acres, the total world acreage has actually increased. While we have reduced wheat by 9 million acres, world acreage has increased by 64½ million acres. We have cut rice acres here at home, but world acreages have increased by 50½ million acres. We have cut tobacco at home, but world acreage has increased by 1¾ million acres. Only soy beans and corn have increased in acreage here at home during the last 10 years. But meanwhile, world-wide, corn has increased by 48½ million acres while soy beans have increased by nearly 18 million acres. I mention these brief facts because I think it is time we stopped and thought about our domestic problems in terms of the total world. At this point, Mr. Chairman, under privilege previously granted to me, I would like to insert some tables and comments which briefly set forth in more detail the facts that I have just mentioned.

World acreage of selected crops, 1950 and 1960

	1950	1960	Increase or decrease
Cotton.....	88,315,000	80,900,000	-7,415,000
Corn.....	219,000,000	267,500,000	+48,500,000
Wheat.....	424,200,000	488,800,000	+64,600,000
Rice.....	237,967,000	288,630,000	+50,663,000
Soybeans.....	36,015,000	53,995,000	+17,980,000
Tobacco.....	7,743,000	9,479,000	+1,736,000
Total.....	1,013,240,000	1,189,304,000	+176,064,000

¹ Net.

NOTE.—Although cotton acreage was reduced 7,415 acres, total acreage increased 176,064,000 acres.

U.S. acreage of selected crops, 1950 and 1960

	1950	1960	Increase or decrease
Cotton.....	26,949,000	15,316,000	-11,633,000
Corn.....	81,800,000	82,100,000	+300,000
Wheat.....	61,600,000	52,600,000	-9,000,000
Rice.....	1,637,000	1,595,000	-42,000
Soybeans.....	13,807,000	23,516,000	+9,709,000
Tobacco.....	1,599,000	1,144,000	-455,000
Total.....	187,392,000	176,271,000	¹ -11,121,000

¹ Net.

NOTE.—U.S. acreages of all crops except corn and soybeans were reduced. Total acreage for the 10-year period was reduced by 11,121,000 acres. Thus, while acreage on a worldwide basis was increased by 176,064,000 acres, the United States reduced its total acreage by 11,121,000 acres.

COTTON

In 1950, 26,949,000 acres of cotton were harvested with a yield of 15,149,000 bales in the United States. In 1960, 15,316,000 acres were harvested with a yield of 14,309,000 bales.

The world production and yield for the same period is as follows: In 1950, 88,315,000 acres of cotton were harvested with a yield of 39,295,000 bales. In 1960, 80,900,000 acres were harvested with a yield of 46,995,000 bales. Thus, while worldwide area in cotton has only decreased about 7,415,000 acres during the last 10 years, the United States has reduced its area by 11,633,000 acres.

India, with the second largest cotton acreage, harvested 14,556,000 acres in

1950 and increased their harvested area to 18,700,000 acres in 1960. Their production was increased from 2,720,000 acres in 1960. Their production was increased from 2,720,000 bales to 4,400,000 bales during this same period.

China has the third largest area and, according to the best information we can obtain, harvested 10 million acres in 1950; 14 million acres in 1960. Their production was 3,650,000 bales in 1950 and 7,500,000 bales in 1960.

The only countries to reduce their acreages in cotton during the 10-year period 1950-1960 were: United States by 11,633,000; Brazil, by 300,000; Congo, by 215,000; Egypt, by 106,000; U.S.S.R., by 350,000.

It should be further noted that although acreages were reduced in the above countries, the total production from 1950 to 1960 increased in every country with the exception of the United States and the Congo. Russia, although reducing acreage by 350,000, increased her production from 5,500,000 bales in 1950 to 6,800,000 bales in 1960.

CORN

All countries increased corn acreage during the period 1950-1960.

Of the total world corn acreage of 219 million in 1950, the United States had 81.8 million acres. Of the total world corn acreage of 267.5 million in 1960, the United States had 82.1 million acres.

In 1950, the total world corn production was 5,385 million bushels. The United States produced 3,075 million bushels of this total. In 1960, the total world corn production was 8,100 million bushels. The United States produced 4,353 million bushels of this total.

Russia's acreage totaled 11.9 million in 1950; 29.5 million in 1960. Russia's production totaled 250 million bushels in 1950 and 590 million bushels in 1960.

Thus, the United States increased its corn acreage three-tenths of a million from 1950 to 1960. It raised its production of corn by 1,278 million bushels.

The rest of the world increased its corn acreage 48.2 million from 1950 to 1960. They raised production of corn by 1,437 million bushels.

Despite the fact that the United States, Canada, Argentina, Italy, France, England, and Japan decreased their overall wheat acreage between 1950 and 1960 by 19 million acres, worldwide production during this 10-year period increased 1,840 million bushels.

This is due to many reasons. Russia, for example, increased its acreage from 95 million acres in 1950 to 148.5 million acres in 1960. Its production was increased from 1,020 million bushels to 1,700 million bushels.

Likewise, India, Turkey, Australia, Pakistan, and Spain—all planting 10 million or more wheat acres—increased their total acreage during the 1950-1960 period and, thus, their total production.

Almost all other wheat-producing nations, whether reducing their acreages or not, increased their production.

The United States decreased its acreage during the 10-year period from 61.6 million acres to 52.6 million acres. Production, however, increased from 1,019 million bushels to 1,363 million bushels.

Canada also reduced its total acreage by 4.1 million acres but increased production from 467 million bushels in 1950 to 490 million bushels in 1960.

The total wheat acreage—worldwide—in 1950 was 424.2 million acres. The total wheat acreage—worldwide—in 1960 was 488.8 million acres. Total increases of 64.6 million acres. Russia's increase of 53.5 million acres accounted for most of this increase.

The total production in 1950 amounted to 6,340 million bushels. The total production in 1960 amounted to 8,180 million bushels. Total increase of 1,840 million bushels.

RICE

Despite the fact that the United States, Egypt, and Italy reduced their total acreage of rice during the period 1950-60, worldwide rice acreage and production increased sharply.

Total rice acreage in 1950 amounted to 237,967,000 acres; in 1960 the figure rose to 288,630,000 acres. Total rice production increased from 337,850 million pounds in 1950 to 487,560 million pounds in 1960.

The United States decreased its acreage from 1,637,000 acres in 1950 to 1,595,000 acres in 1960. However, its production was increased from 3,882 million pounds in 1950 to 5,440 million pounds in 1960.

India, Communist China, Pakistan, Indonesia, Thailand, and Burma, on the other hand, all increased their acreages substantially and, thus their production.

India, for example, increased its acreage from 76,135,000 acres in 1950 to 82,500,000 acres in 1960—an increase of 6,365,000 acres during this period.

SOYBEANS

All soybean-producing nations increased their total acreages during the 1950-60 period. In 1950, a total of 36,015,000 acres were planted throughout the world. In 1960, the figure rose to 53,995,000 acres.

Production rose from 645,257,000 bushels in 1950 to 976,850,000 bushels in 1960—an increase of 51 percent during the 10-year period.

The United States increased its acreage from 13,807,000 in 1950 to 23,516,000 acres in 1960. Production rose from 299,249,000 bushels in 1950 to 588,778,000 bushels in 1960, a production increase of 87 percent.

China, the second ranking soybean producing nation, increased its production 17 percent—from 298,530,000 bushels in 1950 to 350 million bushels in 1960.

TOBACCO

All tobacco producing countries except the United States, Belgium, France, West Germany, Algeria, Iran and Burma, increased their acreage.

Worldwide production increased during the period from 7,122 million to 8,895 million pounds. Worldwide acreage increased from 7,743,000 acres in 1950 to 9,479,000 acres in 1960.

The United States decreased its acreage from 1,599,000 acres in 1950 to 1,144,000 acres in 1960. Its production was also decreased from 2,030 million pounds to 1,960 million pounds. Of the total 1960 worldwide tobacco production of

8,895 million pounds, the United States produced 1,960 million pounds.

One might add also that we have for at least 12 years been shipping American know-how abroad to encourage new acres and to show them how to grow more per square inch. There is no question but what in terms of proper diet, there is a food deficit in the world. Now, these things that we have been doing for the free world are all good. What we have been doing is a glowing testimonial to our leadership of an enlightened Western civilization. All that remains to be done, is of course, to ease out political corruption abroad, assist in the development of well-paid middle classes wherever possible and embark upon a new era of commercial exchange that will make us all happy with per capita income sufficient to make paying customers in every country. But Rome was not built in a day. And, the purchasing power of too many of the billions on this earth does not make them very good customers. They can be in time, impossible as it may now seem.

One of the big items in this bill to which I heartily subscribe is the work we are doing under Public Law 480. Under that law, we are sending bread to the hungry and to the very areas where the Communist East is sending the stones of political promise and the sabres of fear. In my opinion, it is the finest missile in our international arsenal. It is a true belly blow to our adversaries. Daily reports reach us of crop failures and food shortages in both China and Russia. Daily we know of some of the difficulties that have attended land reforms and efforts to step up production behind the Iron Curtain. Meanwhile, back at the ranch, we are prone to consider farm legislation as though the political, economic and space boundaries were the same today as they were in 1938.

True, we have considered, and we have enacted certain laws affecting agriculture. Most of them, to me, at least, and, remember, I am merely expressing my own opinion, have been the mere adding on of sails in a blind and stubborn effort to continue sailing in the direction of an ever-rising sun that worked so well until 1952. In the face of increasing world production, we try to make painless the removal from production of acres here at home. To me, the answer is spelled out in those programs in the bill before you that would increase consumption. That is, of course, the main purpose of production. There are many such items in this bill—research, the work of the Foreign Agricultural Service, an activity that I am particularly happy to have had a hand in creating, the various marketing services in our economic divisions. In fact, throughout the bill there are programs that can help in the needed purpose of consuming at home and abroad what we produce instead of endless and expensive storage.

We may and we should debate the food stamp plan, but I must remind you that it is now an actuality. We may discuss the relative responsibilities that attend the more than a billion dollars that we annually expend as a nation for

school lunches. We may inquire into the donations of our bounty to CARE and other groups who so nobly help the needy. But, we can at least take comfort in the thought that in these programs we are doing that which nature meant when water, sunlight and soil gave us food. Balanced nutrition is a problem in every country.

As this point, I also want to remind you that under the continued insistence of the gentleman from Mississippi, the Honorable JAMIE WHITTEN, we finally, a few years ago, established a sales office for the Commodity Credit Corporation. Imagine the world's largest corporation without a sales office. The result of the setting up of this office has been reflected in a proper reduction of commodities held by that corporation.

And, so, in my opinion, we should reset our sails in terms of the factual winds of today. Whether they be commercial, political, economic, or social. Why should we ever consider the shackling of the great American farmer when those of other lands are goaded with our aid to unleash their latent powers to produce. Why should we consider, even by common consent, the imposing of further acreage reductions at home upon the finest agrarian community that was ever developed unless we also can effectively reduce production elsewhere. In my mind, either consideration is repugnant since everyone in the world does not have the advantage of a square meal.

The Congress is now considering a farm bill. I think there are good things in that bill. But I cannot go along with title I. I like the commodity approach but I cannot for the life of me assume that there will be wholesome agreement among our national producers of any crop. The result of attempting to achieve commodity agreement on a national basis could be frustrating, disheartening, and destructive. In the end, the final responsibilities of any program to further control acreage allotments here at home would have to reside in the office of the Secretary. And, that is an awesome responsibility that I do not want my friend and neighbor, Orville Freeman, to have to assume.

As I close, let me urge this great Committee of the Whole House to consider helping to set our sails anew. The shibboleths of 1938 are out of date. Food is produced to make whole the bodies of men everywhere, not to be stored in Pharaoh's bins. Fiber is produced to cover folks against the elements and shelter is needed in every climate. In a word, let us bend our efforts for consumption of our produce; deny the advocates of acreage restrictions here at home.

Any course we set our sails for will not be pleasant sailing, but we can at least be reassured that we are sailing in the right direction. Let us do what is right, as facts and conscience tell us in today's terms.

Mrs. MAY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mrs. MAY. I want to take this opportunity to commend the gentleman

from Washington, with whom I am very proud to share representation of our great agricultural area, for a wonderful statement, in particular the very significant point he brings out in any plan that this agricultural administration might bring up that would result in the cutting back of agricultural production at a time when we are asking for increased production of these same things abroad.

In this connection, I know the gentleman shares my interest, and our interest, in the wheat marketing plan. I wonder if he has seen the recent study issued by the U.S. Department of Agriculture entitled "How Wheat Farmers Would Adjust to Different Programs," which compares the effect of various wheat programs on producer income and on total grain production.

Mr. HORAN. I have, I want to say to my colleague from Washington, I have studied that. I think it is a worthwhile study produced by Warren Bailey and Ronald Aines of the USDA for a commodity group which is national in scope, and one reason for getting permission this morning to include additional matter in my speech was to include their studies, which I believe cover this, if I am correct, studies in different parts of the United States. If we are serious about this commodity approach to the solution of our farm problems I think this study that has been made by the Department in the interests of the National Wheat Producers' Association would be a valuable contribution for the RECORD at this point.

(The matter referred to follows:)

HOW WHEAT FARMERS WOULD ADJUST TO DIFFERENT PROGRAMS

(By Warren R. Bailey and Ronald O. Aines, agricultural economists)

SUMMARY AND CONCLUSIONS

The study reported here was undertaken to see how representative wheat farmers in specialized producing areas would adjust most profitably to different wheat programs. What changes would occur in the acreage and production of wheat and other crops? How would the income opportunities of programs compare?

Six different programs were studied on representative farms, otherwise identified as study farms, in eight specialized wheat-producing areas in the Great Plains and the Pacific Northwest. Study farms are located in Kansas, Oklahoma, Colorado, Montana, Washington, and Oregon. These farms represent major producing situations in each area. As the figures are not area averages, they do not reflect average incomes among areas, although comparisons are valid between programs on the same farm.

Program features used include modifications of the present acreage-allotment and price-support program; marketing allotments and stratified wheat prices; and no controls or price supports. "Prototype programs" constructed around each feature specify the price of wheat and other crops and either the maximum acreage of wheat, or the maximum quantity that could be marketed. Many other combinations might have been developed, but these combinations include the major features of programs un-

der discussion at the time the study was made.

To determine the adjustments that would maximize incomes on the study farms with the programs, budgets were prepared for each farm. A charge for all labor at hired wages per hour is included in expenses, but no charge is made for management and invested capital. Crop yields are the average that operators of the study farms can expect with average weather and present practices. Crops other than wheat could be grown under each program without restriction for sale at the following assumed prices (U.S. average):

Grain sorghum, bushel-----	\$1.01
Barley, bushel-----	.90
Dry peas (Washington farm), hundredweight-----	3.60

Effects of each specified program on wheat acreage, total grain production, and net income to management and invested capital of study farms are compared with effects of program A (1960 acreage allotments and price supports). These comparisons are summarized in table 1.

Smaller acreage allotments (program B): With wheat prices raised to 85 percent of parity and acreage allotments decreased 25 percent from the 1960 level, net income to management and investment capital would be slightly higher on most study farms. It would equal the income under program A on the north-central Montana farm and would be 2 percent below the income under program A on the northeastern Montana and eastern Washington farms. Wheat production on each farm would decrease 25 percent, but total grain production would change very little except that it would increase 11 percent on the northwestern Kansas farm and 16 percent on the Colorado farm.

Larger acreage allotments (program C): With wheat prices lowered to 65 percent of parity and acreage allotments increased 20 percent, net incomes would be reduced 8 to 25 percent. Wheat production would increase about 20 percent, but total grain production would change very little. On the Colorado farm, the reduction would be 8 percent.

Food and export allotment and land reserve (program D): This program would include a marketing allotment on food wheat, export wheat priced at 65 percent of parity and other wheat at a feed price, 80 cents a bushel payment on food-wheat quota, and 20 percent of the wheat base acreage in a land reserve, at the 1960 rate of payment. With this program, net incomes would increase on all study farms. The increase would be 15 percent or less on the Kansas farms, 20 to 25 percent on the Colorado and northeastern Montana farms, and 34 to 39 percent on the Oklahoma, north-central Montana, Washington, and Oregon farms. Wheat production would decrease on the northwestern Kansas and Colorado farms and increase on the other farms. The Kansas farms would produce only marketing-allotment wheat. Operators of other study farms would find it profitable to produce all wheat and no feed grains except as a catch crop on wheat seedings that fail. Operators of all study farms would place land in a reserve to earn the special food-wheat payment. Total grain production would decrease.

Food allotment (program E): With marketing allotments on food wheat priced at 90 percent of parity, other wheat at a U.S. price of \$1.25, and no land-reserve requirement, net incomes would decrease 2 to 11

percent on the Colorado and Kansas farms and would increase 5 to 19 percent on the others. Operators of the Kansas farms would maximize income by producing only marketing-allotment wheat, but operators of the other farms would produce all wheat and no feed grains. Total grain production would increase 8 to 10 percent on the northwestern Kansas and Washington farms. It would decrease 5 to 11 percent on the Oklahoma and Colorado farms but would change little on other farms.

No controls (program F): With no production controls and no price supports, net incomes would decrease on all study farms. Incomes would decrease least (19 percent) on the Washington farm, and most (66 percent) on the Oklahoma farm. Wheat production would increase on all study farms except the northwestern Kansas farm (-1 percent). Total grain production would change about the same as with program E.

The impact of each program would vary on the different farms. A program restricting wheat production (such as the restricted acreage-allotment program) would favor the farms with a profitable alternative crop, such as grain sorghum in the Southern Plains. Conversely, programs permitting production of additional wheat for sale at a nonsupported or feed price would favor farms with a less profitable alternative crop, such as barley in the Northern Plains and the Pacific Northwest.

Net returns from a land reserve at 1960 rates of payment would be higher than from wheat at a feed price on the Kansas and northcentral Montana farms; higher than wheat at the nonsupported price on the Colorado, northeastern Montana and Oregon farms; higher than wheat at 65 percent of parity on the Oklahoma farm. Net returns from the reserve would be higher than grain sorghum on the northwestern Kansas, Oklahoma and Colorado farms; and higher than barley on the Montana and Oregon farm.

Conclusions drawn from the study would seem to warrant generalizations to cash grain farms other than study farms in specialized wheat-producing areas.

When acreage allotments are in effect, operators of specialized wheat farms grow the allotted acreages even though wheat prices are supported at prices as low as 65 percent of parity.

Even at a feed price, wheat is a more profitable crop than barley on specialized wheat farms in Montana, Washington, and Oregon. With no production restrictions, specialized wheatgrowers in these areas would produce maximum acreages of wheat and little or no barley at the assumed prices. In Kansas and Colorado, however, grain sorghum is more profitable than wheat at a feed-equivalent price. With no wheat acreage base to protect and with unallotted wheat selling at a feed price, farmers in these areas would grow all the grain sorghum they could safely grow and still control erosion.

The best income-producing crops other than wheat are feed grains on specialized wheat farms in both the Great Plains and the Pacific Northwest. Forage might be relatively more profitable on livestock farms, but these farms were not included in the study.

Wheat production would not decline but would continue for some time at least on specialized farms in the Northern Plains and the Pacific Northwest, even if the price of wheat were lower than any level now seriously considered. Income would cover the direct expenses of production although return to invested capital would be reduced.

TABLE 1.—Effects of specified programs on wheat acreage, grain production, and income, study farms

Item	1960 acreage allot- ment pro- gram (pro- gram A)	Percentage change with—					Item	1960 acreage allot- ment pro- gram (pro- gram A)	Percentage change with—				
		Smaller acreage allot- ment (pro- gram B)	Larger acreage allot- ment (pro- gram C)	Food and export allot- ment (pro- gram D)	Food allot- ment (pro- gram E)	No con- trols (pro- gram F)			Smaller acreage allot- ment (pro- gram B)	Larger acreage allot- ment (pro- gram C)	Food and export allot- ment (pro- gram D)	Food allot- ment (pro- gram E)	No con- trols (pro- gram F)
Acreage of wheat:	<i>Acres</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	Production of all grain—Con.	<i>Tons</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
West central Kansas.....	280	-25	20	4	7	22	Northeastern Montana.....	260	1	-1 ^a	-22	-2	-2
Northwestern Kansas.....	270	-25	20	-23	-16	-1	North central Montana.....	370	1	-1	-22	-2	-2
Northwestern Oklahoma ¹	473	-25	20	25	55	55	Eastern Washington.....	434	-1	1	-4	10	10
Eastern Colorado.....	550	-25	20	-3	16	16	Columbia Basin, Oreg.....	734	0	1	-19	-2	-2
Northeastern Montana.....	405	-25	20	14	43	43	Net income: ²	<i>Dollars</i>					
North central Montana.....	405	-25	20	14	43	43	West central Kansas.....	4,675	7	-22	15	-4	-52
Eastern Washington.....	166	-25	20	73	98	98	Northwestern Kansas.....	5,755	5	-22	4	-11	-49
Columbia Basin, Oreg.....	520	-25	20	23	54	54	Northwestern Oklahoma ¹	5,748	6	-25	39	5	-66
Production of all grain:	<i>Tons</i>						Eastern Colorado.....	10,513	9	-15	20	-2	-47
West central Kansas.....	215	0	0	-28	3	0	Northeastern Montana.....	6,022	-2	-13	38	14	-42
Northwestern Kansas.....	246	11	1	-21	8	9	North central Montana.....	9,756	0	-14	25	11	-35
Northwestern Oklahoma ¹	314	1	-3	-21	-5	-5	Eastern Washington.....	12,175	-2	-8	34	19	-19
Eastern Colorado.....	368	16	-8	-25	-11	-11	Columbia Basin, Oreg.....	17,812	2	-13	37	9	-44

¹ Excludes panhandle counties.² Return to management and invested capital. Computation explained in section on "Budget Analysis."

Although income from feed grains is smaller than that from wheat on most farms, the income from feed grains is important to the specialized wheat farmer when wheat acreage is restricted. If the farm is to remain efficient, all of its resources must be used productively.

Total grain production on specialized wheat farms changes very little whether wheat or a feed grain or a combination of the two is produced.

INTRODUCTION

The U.S. wheat industry has operated under essentially the same production-control and price-support program for 6 years. During that time, surplus stocks of wheat have accumulated, and public expenditures for storage have mounted. The situation that has developed needs no documentation here. Almost everyone agrees that changes in the wheat program are needed, but general agreement as to what the new program should be has not been reached.

Views differ as to the role of wheat prices. Should prices chiefly regulate supply and demand or should they assure farm income? Some persons believe that it would be best to discontinue production-control programs and price supports, to let supply and demand be equated at a free market price. Others think this might work if enough wheat land were retired from farming by some other means.

Some persons believe production controls and supported prices should apply only to the wheat needed for food in the United States and possibly for commercial exports. Let farmers produce additional wheat for other uses if they wish, but in competition with other grains used largely for feed. Still others would prefer a combination of programs that would include some production-control features, some-price supports, and some land retirement. Perhaps most of them would agree that the wheat industry needs help in making adjustments.

Views on proposed wheat programs differ because some people focus on the aggregative problem of surpluses, while others stress the income problem of wheat farmers. Information is lacking as to how various program features would affect the production and returns on representative farms. We need to consider such effects in the choice of alternative programs. Knowledge

of the impact of alternative programs on individual farms is necessary to determine whether a program would in fact solve the problem.

This report describes the impact of different programs on the production and income of representative wheat farms in specialized wheat-producing areas. The features examined are of four kinds: (1) modifications of the present acreage-allotment program; (2) marketing allotments in bushels and stratified wheat prices; (3) no production controls or price supports; and (4) land retirement alone or in conjunction with each of the other programs. Around each feature is constructed an example, or prototype, program which specifies the price of wheat and other crops and in some instances, the maximum acreage or quantity of wheat to be produced.

Since the study was made, legislation has been enacted providing an emergency program for feed grains. This program was not included among those studied.

The analysis deals with the effects of specified programs on individual wheat farms, without regard to the aggregative effects. In fact, some, perhaps all, of the programs tested may not be "equilibrium programs" in that they might not balance supply and demand of wheat or feed grains at the assumed prices. To ascertain the aggregative effect of the different programs and to test them for equilibrium would require study of many additional farm situations in many areas. Such a study in major wheat-producing areas is now underway as western regional research project W-54. This report is based in part on some of the preliminary analyses and on data from a few selected situations under study in projects contributing to the regional effort.

FARMS STUDIED

The farms selected for study are representative of cash grain farming in eight specialized wheat-producing areas. Six are in the Great Plains and two are in the Pacific Northwest. Five are in areas in which wheat is usually grown biannually, alternating with fallow. In the three remaining areas, wheat is customarily grown annually, after wheat or another crop, but fallow may be used when rainfall is low. The farms studied are in areas that produce three classes of wheat. Soft White Winter wheat

is produced in Washington and Oregon, Hard Red Spring wheat in the Northern Plains, and Hard Red Winter wheat in the Northern, Central, and Southern Plains.

Although study farms represent a major production situation in each area, we do not imply that response would be the same on all farms in each area. Farms of another size or with different resources might find it profitable to respond differently. A study farm is not necessarily an average of all farms in the area; usually it represents a central model size group. Obviously, the study farms do not reflect relative incomes per farm among areas, although comparisons are valid between programs on the same farm. General characteristics of the farms studied are shown in table 2.

BUDGET ANALYSIS

The analysis presented here is based on farm budgets of the study farms, in which production, income, expenses, and net returns are computed. Budgeting determines the most profitable use of land and other resources of the farm under each program, considering program and other restrictions incidental to the practical operation of the farm. Several budgets or partial budgets may be required to determine the most profitable production plan under each program. Budgets also permit comparison of the economic advantage of different programs on the same farm—within the limits of the specified assumptions. Comparability between study farms of adjustments to the same program is achieved to a degree by using uniform program assumptions and a common set of prices, adjusted for area and regional differences. Comparability is not achieved completely, however, in that study farms may not represent their respective areas equally well.

The budgets are simplified to the extent that they focus on crops, the chief concern of the analysis. Livestock enterprises found on grain farms are not included. Budgets are simplified also in that minor feed grain crops are converted, when feasible, to the major feed grain crop on the farm—grain sorghum in the Central and Southern Plains and barley in the Northern Plains and the Pacific Northwest. These simplifications do not affect the essential validity of the results.

TABLE 2.—Description of study farms

Study farm	Acreage in—			Alternative crop	Method of growing—	
	Farm	Crops	Wheat base		Wheat	Alternative crop
	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>			
West central Kansas.....	640	540	440	Grain sorghum.....	Continuous cropping.....	Chiefly continuous cropping.
Northwestern Kansas.....	960	770	417	do.....	Chiefly fallow.....	Do.
Northwestern Oklahoma.....	960	735	718	do.....	Chiefly continuous cropping.....	Do.
Eastern Colorado.....	1,920	1,800	803	do.....	Chiefly fallow.....	Do.
Northeastern Montana.....	1,200	1,156	578	Barley.....	All on fallow.....	On fallow.
North central Montana.....	1,200	1,156	578	do.....	do.....	Do.
Eastern Washington.....	540	520	255	Barley, peas.....	Chiefly continuous cropping.....	Both ways.
Columbia Basin, Oreg.....	1,650	1,600	800	Barley.....	All on fallow.....	On fallow.

In the main, budgets depict the most profitable adjustments on the farm to each program situation, with consideration given to good farming practices and farmers' demonstrated preferences. For example, grain sorghum on fallow increases the hazard of wind erosion, hence it is to be avoided when possible. Again, some farmers may prefer to grow all wheat even though another crop might pay slightly better than feed wheat. Farmers might grow wheat exclusively rather than provide storage for two kinds of grain.

Crop yields used in the analysis are average yields—those that farmers operating similar farms can expect in the future. Yields vary under different programs as influenced by the crop sequence. For example, the yield of wheat following wheat differs from the yield of wheat following fallow. The yield of sorghum differs when the sorghum follows sorghum, wheat, or fallow, or is seeded on abandoned wheatland. Wheat yields vary also because farmers tend to select the better land when acreage is restricted and they have a choice of land. The production shown in the tables excludes seed requirements.

Expenses in the budget analysis were computed at the 1959 cost rates per unit. Expenses include the usual inputs of motor fuel and lubricants, repairs, treatment of seed, fertilizer and chemicals at common rates of application, property taxes, insurance, motor licenses, custom hire (as applicable), depreciation, hired labor, and a

charge for operator labor at the hired wage rate per hour. With all labor included, the farm incomes under the programs have greater comparability. Not included is a charge for the use of capital, or for management.

Commodity prices used in the analysis are assumed to be at the farm level. All prices were adjusted for prevailing regional and area differences; they are for the average grade of product marketed in the area. In programs under which wheat prices are supported, the U.S. average price was computed relative to parity, then adjusted to the area. Nonsupported wheat prices and prices of other commodities summarized in table 3 are those assumed for purposes of the study. None of the prices are necessarily equilibrium prices in the aggregate sense, that is, they might not equilibrate aggregate supply and demand if the adjustments induced by the various programs were widely adopted. As estimates of equilibrium prices were not available, the prices used are approximations judged to be the best available for this analysis. Even though these prices are not based on supply-demand analysis, they serve the purposes of comparability among programs.

Net farm income in the budget analysis is gross income minus expenses as defined. It is the return to management and to capital investment in the farm including equipment.

The budget analysis is based on full ownership of the farm. No appraisal was made of the income effects of the programs to ten-

ant operators. Moreover, the analysis does not consider problems that might occur in adjusting from the present program to a new one. Problems of this kind might delay some farmers in making the adjustments found to be most profitable. The question of implementing a program was not an expressed purpose of the study reported.

PROGRAMS STUDIED

The programs used in the study include the major types of features proposed or discussed. An example, or prototype, program was constructed around each feature to specify the conditions under which wheat is produced and its price. These specifications and prices were selected arbitrarily for purposes of the analysis. For easy reference, programs are identified by letters of the alphabet; they are described in the paragraphs that follow.

Acreage allotments 1960 (program A): This is essentially the present (1960) acreage-allotment program, but without the conservation reserve. It consists of the 1960 wheat acreage allotments (harvested basis) with the price of wheat supported at a U.S. average price of \$1.80 a bushel, which is assumed to be 75 percent of parity. Penalties, which are not specified, effectively limit production to the allotted acreage. Other crops can be produced and marketed freely at the assumed prices (table 3). The situation under this program is used as a basis for comparing situations under other programs.

TABLE 3.—Crop prices per bushel established for budget analysis, study farms

Item	West central Kansas	Northwestern Kansas	Northwestern Oklahoma	Eastern Colorado	Northeastern Montana	North central Montana	Eastern Washington	Columbia Basin, Oreg.	Assumed United States
	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
Wheat at—									
90 percent parity.....	2.15	2.12	2.14	2.12	2.08	1.96	2.10	2.15	2.16
85 percent parity.....	2.02	2.00	2.02	2.00	1.95	1.84	1.98	2.03	2.04
75 percent parity.....	1.82	1.79	1.78	1.77	1.72	1.61	1.75	1.79	1.80
65 percent parity.....	1.55	1.53	1.54	1.53	1.47	1.36	1.52	1.55	1.56
Nonsupported price.....	1.26	1.24	1.24	1.22	1.19	1.12	1.20	1.25	1.25
Feed price ¹	1.20	1.18	1.12	1.01	1.05	1.00	1.20	1.25	
Grain sorghum.....	1.02	1.00	.95	.86					² 1.01
Barley.....					.72	.69	.82	.87	.90
Peas.....							³ 3.60		

¹ Based on price of predominant feed grain produced in the area, adjusted for equivalent feeding value.

² Equivalent to U.S. price of \$1.80 per hundredweight.

³ Price per hundredweight.

Small acreage allotments (program B): Under this program, wheat acreage allotments would be 25 percent smaller than those under program A, but the price of wheat would be supported at a U.S. average price of \$2.04 a bushel, about 85 percent of parity. Other conditions would be the same as under program A. Program B is intended to determine the production and effects on the study farms with smaller acreage allotments combined with higher wheat prices.

Larger acreage allotments (program C): Under program C, wheat acreage allotments would be 20 percent larger than those under program A, but the price of wheat would be supported at a U.S. average of \$1.56 a bushel, about 65 percent of parity. Other conditions

would be the same as under program A. The purpose of program C is to determine the production and income effect on the study farms of larger wheat acreage allotments combined with lower support prices.

Food and export allotment (program D): With this program, each farm would have a wheat marketing allotment in bushels equal to two-thirds of the normal yield on the 1960 wheat base acreage. The marketing allotment is presumed to be the farm share of the wheat required for domestic food uses and exports. This quantity of wheat would be supported at a U.S. average price of \$1.56 a bushel, about 65 percent of parity. Other wheat could be grown and sold at a feed-equivalent price, based on the price of the

predominant feed grain grown in the study farm locality. The farm has a food wheat quota in bushels equal to five-twelfths of the normal yield on its 1960 wheat base acreage. The farmer could earn a payment of 80 cents a bushel on the food quota by contracting 20 percent of his wheat base acreage in a land reserve. In areas where wheat is commonly grown on fallow, an equal acreage of fallow land must be put into the reserve. This acreage depends upon the proportion of wheat grown in fallow in 1959. Land in the reserve earns annual rental payments equal to the 1960 rates of the conservation reserve program. The farmer would not be required to put the land in the reserve if he wanted to forego the pay-

ment of 80 cents a bushel on his food wheat quota. The total land-reserve payment per farm would not be limited. There would be no other form of land reserve. Other crops could be produced on any remaining land and sold at the assumed prices (table 3).

With program D, the farmer could carry over wheat to apply against his marketing allotment or food quota of a later year. He or the trade would store the extra production from a bumper crop. With the present acreage-allotment program, most of the carryover is stored by the Government.

Food allotment (program E): This program is a similar though simplified version of program D. Each farm would have a marketing allotment in bushels equal to normal yield on five-twelfths of the 1960 wheat base acreage. This quantity of wheat would be equal to the food quota in program D. The price of allotment wheat would be supported at a U.S. average price of \$2.16 a bushel, about 90 percent of parity. No special payment could be earned by participation in a

land reserve. In fact, no land-reserve program is assumed. Other wheat might be grown and sold at a nonsupported price of \$1.25 a bushel, U.S. average. Presumably, nonallotment wheat would be exported, but some of it would be used for feed. Other crops could be produced and sold freely at the assumed prices (table 3).

With program E, the farmer could carry over wheat to apply against his marketing allotment, and he or the trade would store any extra production.

No controls (program F): Under program F, wheat and other crops could be produced in any quantity as no acreage or marketing restrictions would be in effect. Wheat would sell at a nonsupported price, \$1.25 a bushel, U.S. average. Other crops would sell at the assumed prices (table 3). There would be no land-reserve program.

The chief production-control and price features of the programs studied may be summarized as follows:

Program	Control	Wheat support level	Price of wheat
			Dollars
A-----	1960 acreage allotment-----	75 percent of parity--	1.80
B-----	75 percent of 1960 acreage allotment-----	85 percent of parity--	2.04
C-----	120 percent of 1960 acreage allotment-----	65 percent of parity--	1.56
D-----	Marketing allotment: $\frac{5}{12}$ normal yield on 1960 wheat base acreage-----	do-----	1.56
E-----	Food wheat quota: $\frac{5}{12}$ normal yield on 1960 wheat base acreage-----	80 cents a bushel-----	2.16
F-----	Marketing allotment: $\frac{5}{12}$ normal yield times 1960 wheat base acreage-----	90 percent of parity--	2.16
	None-----	None-----	1.25

With other specifications, the programs would affect the study farms differently. For example, if in program C, the price of wheat were at 70 instead of 65 percent of parity, net farm income would be about equal to that with program A.

ECONOMIC SETTING FOR ADJUSTMENTS

The adjustments that wheat farmers make to programs are influenced by several key things. One is the comparative returns from wheat and alternative crops. Another is the restriction imposed by crop sequences—crop A may readily follow crop B but not crop C. This becomes important when the choice includes fall-seeded and spring-seeded crops and when some crops are grown on fallow and others in annual cropping.

Traditionally, wheat has been the crop of highest return on the study farms. Generally, it is the crop best adapted ecologically to climate and soils. It often yields more pounds of grain per acre than other crops, except the recent hybrid sorghums, which in some instances yield equally well.

For various reasons, wheat may be grown on study farms when comparative average returns seem to favor other crops. Farmers seed wheat whenever crop prospects are especially favorable because high-yielding wheat may pay better, even at a moderate price, than another crop. Moreover, yield prospects for the other crop may not be as good at the time. Some farmers may prefer to grow only one crop (wheat) because two or more crops would complicate storage. Other farmers have other reasons.

After wheat, the next best paying crop on the study farms usually is a feed grain (table 4). Much of the land is diverted to production of feed grains when the acreage of wheat is restricted by programs. Budget analyses show that returns from forage are not as high as returns from feed grains on the study farms. Forage crops may pay better on farms that specialize in livestock.

On the west-central Kansas study farm, net returns from grain sorghum are higher than wheat at a nonsupported price but lower than wheat priced at 65 percent of parity (table 4). Net returns from grain sorghum are nearly equal to returns from fallow-wheat priced at 65 percent of parity. Most wheat is grown under annual cropping, but in periods of low rainfall some wheat is grown on fallow. Another consideration is that farmers wish to maintain their wheat base acreage when acreage allotments are in effect.

Grain sorghum is the best paying alternative crop to winter wheat on the northwestern Kansas farm. Net returns from grain sorghum at the assumed price are higher than the returns from wheat at the nonsupported price but lower than those from wheat priced at 65 percent of parity (table 4). However, farmers restrict the acreage of grain sorghum because it creates an erosion hazard, especially when it is grown on fallow land. Grain sorghum after wheat, as when in a wheat-grain sorghum-fallow rotation, is less erosive.

On the Oklahoma study farm, grain sorghum pays better than other grain crops, although even at a feed price, it is a relatively poor alternative to winter wheat. Hence this study farm would grow little, if any, grain sorghum if the acreage of wheat were not restricted by programs. Both wheat and sorghum are grown without the use of fallow.

Grain sorghum is also the best paying alternative crop to winter wheat on the Colorado study farm, although returns per acre are somewhat below those from wheat priced at 65 percent of parity. Much of the sorghum is grown on abandoned winter wheat land; wheat abandonment, resulting mainly from low rainfall, averages about 29 percent of the seeded acreage. If not planted to sorghum, the abandoned wheatland can be summer fallowed and may be seeded back to winter wheat in the fall.

Spring-seeded barley is the chief crop alternative to wheat on the Montana study farms. Even so, returns from barley are relatively low, averaging less than wheat at a feed price (table 4). Consequently, little, if any, barley is grown profitably on the study farms except when programs control the acreage of wheat. Because of limited moisture, both wheat and barley are grown on fallow. On the northeastern Montana farm, both crops are spring seeded. Fall-seeded wheat is grown on the north-central Montana farm. If the wheat winterkills, the land can be seeded to spring wheat or barley and a crop will be made the same year.

On the Washington study farm, winter wheat is the major crop, although spring wheat is seeded on fields where the winter wheat kills out. Winter wheat is now grown chiefly in annual cropping, whereas 10 to 20 years ago it was usually grown on fallow. At that time, the problem with annual cropping was the slow rate of decomposition of straw from the preceding crop, which meant that the soil nitrogen was tied up and the wheat seedling starved. Nitrogen fertilizer is now applied to hasten decomposition and to feed the young seedlings. The shift to annual cropping and the use of fertilizer has greatly increased the capacity of this farm for wheat production. Some clean, cultivated fallow has been retained chiefly to control thistle and other weeds. The chief alternative crops are barley and dry peas, but at the assumed prices, neither crop would pay as well as wheat—even at a feed price (table 4). Pea production is held in check by market prices rather than availability of land. Hence, barley is the chief alternative crop when wheat acreage is restricted by programs. Wheat, barley, and peas may be grown on fallow or in annual cropping.

On the Oregon study farm, winter wheat is the best-adapted and best-paying crop. Wheat is grown on fallow land. Annual cropping with the aid of nitrogen fertilization has been tried, but it has no advantage over the fallow system in the locale of the study farm. Spring wheat is seeded on abandoned fields of fall-seeded wheat. Barley, the next best paying crop, gives a return much below that of wheat even at a feed price. Traditionally, the barley has been a spring-seeded variety but in recent years, hardy fall-seeded varieties that yield more bushels than spring barley have been developed. Both wheat and barley are grown on fallow land.

ADJUSTMENTS TO PROGRAMS

In this section, the adjustments that the study farms would make to maximize profits under each program are discussed. The effects on acreage and production of wheat and other crops and on expenses and net returns are observed. Since the present situation on study farms is represented essentially by program A, this program is the basis for comparing other programs.

Program A—1960 wheat acreage allotments and prices

Program A is similar to the 1960 wheat program except that no land-reserve program is assumed. The wheat acreage allotments would average about 65 to 70 percent of the acreage of wheat grown before allotments came into effect in 1954. Allotments would be in terms of acreage harvested. Wheat prices would be supported at a U.S. average price of \$1.80 a bushel, about 75 percent of parity.

TABLE 4.—*Net return per acre, wheat and alternative crops, study farms*¹

Item	West-central Kansas		North-western Kansas ²	North-western Oklahoma	Eastern Colorado ²	North-eastern Montana	North-central Montana	Eastern Washington	Columbia Basin, Oreg.
	Continuous wheat ²	Wheat-fallow ²							
Wheat at—									
90 percent of parity	\$16.18	\$14.14	\$12.79	\$18.90	\$10.17	\$11.29	\$16.38	\$79.50	\$23.70
85 percent of parity	15.06	12.47	11.80	17.39	9.50	10.34	15.13	73.74	22.35
75 percent of parity	12.91	10.66	10.10	13.95	8.23	8.64	12.73	62.72	18.12
65 percent of parity	10.03	8.31	7.95	10.52	6.90	6.81	10.11	51.71	14.47
Nonsupported price	6.96	5.62	5.58	6.23	5.17	4.75	7.60	36.38	9.13
Feed price	6.18	5.58	5.13	4.52	4.00	3.72	6.35	36.38	9.13
Other crops:									
Grain sorghum	8.09		6.84	3.75	6.00				
Barley						3.06	5.37	31.47	6.89
Peas								20.06	
Land reserve on— ³									
Continuously cropped land	6.80		8.27	11.37	7.39			13.72	
Crop-fallowed land		5.68	5.52		5.39	4.85	5.55	8.79	9.50

¹ Return to cover depreciation management and use of capital. Return per acre of land used: Average for 2 acres where crop is grown on fallow; wheat on the Oregon, Montana, Colorado, and northwestern Kansas study farms; barley on the Oregon and Montana study farms. Based on prices in table 3, and 1960 cost rates.

² Return for wheat includes net income from grain sorghum grown on abandoned wheatland.

³ Based on average accepted bid rates, 1960 conservation reserve program.

With program A, all study farms would maximize profits by growing their full acreage allotment of wheat. All would use the land diverted from wheat for production of feed grains and other crops. On the Kansas, Oklahoma, and Colorado study farms, the diversion would be mainly to grain sorghum, and on the Montana, Washington, and Oregon study farms, it would be mainly to barley. The west-central Kansas farm would have more summer fallow than it would have without the program. The additional fallow would be used in the wheat enterprise, with more of the wheat seeded on summer fallow and less in annual cropping. The Colorado farm would have less fallow acreage with program A, along with the reduced acreage of wheat. Ordinarily, grain sorghum, the alternative crop, would not be grown on summer fallow. Both Montana farms and the Oregon farm would maintain the prior acreage in fallow because barley, the alternative crop, is also grown on fallow land. The Washington farm would also maintain its prior acreage of fallow to control thistle and other weeds.

The acreage and production of crops, the expenses, and the net returns to management and invested capital with program A for each of the study farms are shown in table 5.

Program B—Smaller wheat acreage allotments, higher prices

Wheat acreage allotments would be a fourth smaller than under program A, but the price of wheat is assumed to be supported at 85 percent of parity, instead of 75 percent as under program A. The in-

crease in price, about 24 cents a bushel, would not compensate fully for the reduction in wheat production. Therefore, gross income from wheat would be reduced about 15 percent. For example, suppose that under program A, a farm has a wheat allotment of 100 acres and a gross income of \$3,000. Without program B, the allotment would be 75 acres, and the gross return from wheat \$2,550.¹ But more land would be available for producing other crops. For example, a farm with 100 acres of wheat base and a wheat allotment of 68 acres under program A, would have 32 acres available for other crops. Under program B, the wheat allotment would be 51 acres, which would leave 49 acres for other crops.

With program B, operators of all study farms would seed their full though reduced allotted acreage of wheat. All of the land released from wheat would be diverted to production of feed grains, except on the western Kansas study farm. This farmer would divert some of the released land to summer fallow for use in the wheat enterprise. The acreage of feed grain (sorghum) would increase 20 percent. The increase in acreage of feed grains on the study farms in Oklahoma, Montana, and Oregon would be roughly 50 percent. But on the northwestern Kansas and Colorado study farms, the feed grain acreage would nearly double because for each acre of wheat removed from a wheat-fallow system, 2 acres of

sorghum could be grown. Operators of the Montana and Oregon farms would shift from wheat-fallow to barley-fallow. The operator of the Oklahoma farm would shift from annual wheat to annual grain sorghum.

Total production of all grain (wheat and feed grains) would remain essentially unchanged on six study farms. But it would increase about 11 percent on the northwestern Kansas farm and about 16 percent on the Colorado farm, because of the shift from wheat fallow to annual cropped sorghum.

Although gross income from wheat would be lower with program B, the difference would be approximately compensated for by the income from the crops grown on land released from wheat production (table 6). Farm expenses would change hardly at all because the costs of growing feed grains would be similar to those of growing wheat.

With program B, net returns to management and invested capital on the four study farms in Montana, Washington, and Oregon would be within 2 percent of the returns with program A. But net returns on the four study farms in Kansas, Oklahoma, and Colorado would be increased by 5 to 9 percent with program B. Program B seems to favor slightly the study farms on which the alternative crop, for instance grain sorghum, is grown annually in contrast to farms on which the alternative crop, such as barley, is grown on fallow.

Although program B would affect the study farms differently, the effect would be somewhat more uniform than those of the other programs considered.

¹ Computed: 75 acres at $\frac{85\%}{75\%} \times \$30 = \$2,550$.

TABLE 5.—*Land use, production, and income on study farms with program A*

Budget item	Unit	Kansas		North-eastern Oklahoma	Eastern Colorado	Montana		Eastern Washington	Columbia Basin, Oreg.
		Central	North-western			North-eastern	North-central		
Land use:									
Wheat on fallow	Acre	110	270		550	405	405		520
Wheat, continuous cropping	do	170		473				166	
Grain sorghum	do	138	162	262	364				
Barley	do					173	173	163	280
Summer fallow	do	122	338		886	578	578	87	800
Peas	do							104	
Production: ¹									
Wheat	Bushel	4,444	5,510	6,786	8,204	5,954	8,465	8,238	16,120
Grain sorghum	do	2,932	2,890	3,925	4,365				
Barley	do					3,399	4,817	7,792	10,456
All grain	Ton	215	246	313	368	260	370	434	735
Peas	Hundredweight							1,210	

Footnotes at end of table.

TABLE 5.—Land use, production, and income on study farms with program A—Continued

Budget item	Unit	Kansas		North-eastern Oklahoma	Eastern Colorado	Montana		Eastern Washington	Columbia Basin, Oreg.
		Central	North-western			North-eastern	North-central		
Income:									
Wheat.....	Dollar.....	8,088	9,863	12,079	14,521	10,241	13,629	14,417	28,855
Grain sorghum.....	do.....	2,990	2,890	3,728	3,754				
Barley.....	do.....					2,447	3,324	6,389	9,097
Peas.....	do.....							4,356	
Total.....	do.....	11,078	12,753	15,807	18,275	12,688	16,953	25,162	37,952
Expenses ²	do.....	6,403	6,998	10,059	7,762	6,666	7,194	12,987	20,140
Net return ³	do.....	4,675	5,755	5,748	10,513	6,022	9,756	12,175	17,812

¹ Excludes seed.² Includes all expenses except a charge for use of capital. Includes a charge for all labor at hired wage rates.³ To management and capital.

TABLE 6.—Changes on study farms with program B

[25 percent smaller wheat acreage allotments, wheat price at 85 percent of parity]

[In percent]

Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹	Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹
	Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources			Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources	
West-central Kansas.....	-25	20	35	0	-6	23	2	7	North-central Montana..... Eastern Washington..... Columbia Basin, Oreg.....	-25	58	0	1	-14	59	0	0
Northwestern Kansas.....	-25	95	-25	11	-17	83	6	5		-25	25	0	-1	-16	32	-1	-2
Northwestern Oklahoma.....	-25	45	(²)	1	-12	45	1	6		-25	46	0	0	-14	46	1	2
Eastern Colorado.....	-25	99	-25	16	-15	99	8	9									
Northeastern Montana.....	-25	58	0	1	-15	58	-1	-2									

¹ Return to management and capital.² No fallow used on this farm.**Program C—Larger wheat acreage allotments, lower prices**

Wheat acreage allotments under program C are assumed to be a fifth larger than under program A, but the price of wheat would be supported at 65 percent of parity instead of 75 percent as in program A.

Even with the lower price, wheat would be a better paying crop on the study farms than feed grain at the assumed prices (table 4). The advantage of wheat would be substantial on the Montana, Washington, and Oregon farms where barley is the alternative grain crop. Wheat would have less advantage over grain sorghum on the Kansas and Colorado farms.

Because of the income advantage operators of the eight study farms would seed their full, expanded wheat acreage allotments. They would do this by taking land from feed grains. The operator of the west-central Kansas farm would also take some land out of summer fallow and would grow more of his wheat in annual cropping.

The larger acreage in wheat with program C would compensate for the decrease in price of the wheat—about 24 cents a bushel—so

that gross income from the wheat enterprise with program C would be about 4 percent higher than with program A. For example, a farm with 100 acres of wheat allotment and a gross income of \$3,000 from wheat with program A would have an allotment of 120 acres and a gross income of \$3,120 from wheat with program C.² Gross income from wheat would be reduced 5 and 7 percent, respectively, on the west-central and northwestern Kansas farms (table 7). But income from other crops would not decrease as much on these farms as on other study farms.

With more land in wheat under program C, less land would be available for producing other crops. The acreages available for other crops on study farms would be decreased by roughly half. For example, on a farm with 100 acres of wheat base and a wheat allotment of 68 acres under program A, 32 acres would be left for other crops. Under program C, the wheat allotment would

² Computed: 120 acres @ 65%/75% × \$30 + \$3,120.

be increased to 82 acres, so only 18 acres of the base acreage would remain for other crops. Allotments of study farms would deviate somewhat from this proportion. Associated with the reduction in available land would be a nearly proportionate reduction in gross income from other crops, that is, feed grains (table 7). This loss in income would be greatest, percentagewise, on the Oklahoma, Colorado, Montana, and Oregon farms.

Gross farm income—from all crops—under program C would be reduced by 4 to 10 percent on the study farms. The reduction would be slightly greater on the Kansas, Oklahoma, and Colorado farms than on those in Montana, Washington, and Oregon.

Under program C, net returns to management and invested capital would be reduced on all study farms (table 7). The reduction would be greatest on the Oklahoma, Kansas, and Colorado farms—those having grain sorghum as the alternative grain crop. The reduction would range from 8 to 14 percent on the farms in Montana, Washington, and Oregon—those having barley as the alternative grain crop.

TABLE 7.—Changes on study farms with program C

[20 percent larger wheat acreage allotments, wheat price at 65 percent of parity]

[In percent]

Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹	Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹
	Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources			Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources	
West-central Kansas.....	20	-16	-23	0	-5	-18	-8	-22	North-central Montana..... Eastern Washington..... Columbia Basin, Oreg.....	20	-27	0	-1	1	-47	-8	-14
Northeastern Kansas.....	20	-10	-11	1	-7	-14	-9	-22		20	-20	0	1	5	-24	-4	-8
Oklahoma.....	20	-36	(²)	-3	2	-42	-8	-25		20	-37	0	1	4	-37	-6	-13
Eastern Colorado.....	20	-63	13	-8	4	-63	-10	-15									
Northeastern Montana.....	20	-47	0	-1	3	-47	-7	-13									

¹ Return to management and capital.² No fallow used on this farm.

TABLE 8.—Marketing allotments and food wheat quotas with program D, study farms

Study farm	Wheat base acreage ¹	Production on base ²	Marketing allotment ³	Food wheat quota ⁴
	<i>Acres</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>
West-central Kansas	440	6,380	4,249	2,654
Northwestern Kansas	417	6,338	4,226	2,645
Northwestern Oklahoma	718	10,275	6,851	4,486
Eastern Colorado	803	12,306	8,203	5,015
Northeastern Montana	578	9,090	6,060	3,784
North-central Montana	578	12,696	8,465	5,278
Eastern Washington	255	12,495	8,336	5,194
Columbia Basin, Oreg.	800	25,584	17,056	10,656

¹ As defined by ASC program.² With normal yields.³ Computed as $\frac{3}{4}$ of the production on the base.⁴ Computed as $\frac{1}{2}$ of the production on the base.

With program C, the price of the wheat would need to be supported at about 70 instead of 60 percent of parity, to achieve the same net return to management and invested capital as with program A.

Production of all grain measured in tons would not differ greatly between programs C and A, except on the Colorado farm, where it would drop by 8 percent under program C.

Program D—Marketing allotments on food and export wheat, stratified prices

Under program D, each farm would have a marketing allotment in bushels equal to two-thirds of the normal yield on its 1960 wheat base acreage. This quantity of wheat is assumed to be supported at a U.S. average price of \$1.56 a bushel, or about 65 percent of parity. Other wheat could be produced and sold freely at a feed-equivalent price. Each farm would have a food wheat quota in bushels equal to five-twelfths of the normal yield on its 1960 wheat base acreage. It is further assumed that a payment of 80 cents a bushel of the food quota could be earned by contracting 20 percent of the wheat base acreage in a land reserve. Land in the reserve would earn annual payments equal to the 1960 rates of the conservation reserve

program. If wheat is usually grown on fallow, an equal acreage of fallow land would be put into the reserve at a reduced nondiversion rate.

The eight study farms would grow their full marketing allotments (bushels) of wheat as computed in table 8. With a support price of 65 percent of parity, wheat would pay better than the next most profitable crop—feed grains—on each study farm (table 4).

Each of the study farms would also place 20 percent of its wheat base acreage in the land reserve, as would be required to earn the payment of 80 cents a bushel on food quota wheat. This payment, together with the rental payment, would represent a higher return on the reserve acreage than any other available use of the land. Suppose a farm has a wheat base of 100 acres, with a normal wheat yield of 18 bushels, and the land-reserve payment is \$10 an acre, at the diversion rate. The food wheat quota would be 750 bushels ($100 \times 5/12 \times 18$), and the payment would be \$600 (750×80 cents). The 20 acres in the land reserve would earn a rental payment of \$200. These two payments together would average \$40 for each acre in the reserve. In a wheat-fallow area, another 20 acres would be placed in the reserve at the nondiversion rate and would earn a rental payment of \$100. The total payment of \$900 would average \$22.50 an acre for the 40 acres in the land reserve. Returns computed in this way for each study farm are higher than the returns from other available uses of the reserve land. Readers are reminded that the food quota payment is assumed to be independent of the marketing allotment and can be earned only by participation in the land reserve.

Growing the marketing-allotment wheat and meeting the land-reserve requirement for the food quota payment would account for about 90 percent of the wheat base acreage and the associated fallow on the study farms. This would leave only about 10 percent for such other uses as growing feed wheat and other feed grains. This would compare with about 30 to 35 percent of the acreage available for nonwheat uses under program A.

The Oregon, Washington, Montana, and Oklahoma farms would use the remaining 10 percent of their wheat base acreage to grow feed wheat, because it would pay better than barley or grain sorghum (table 4). Also, with wheat grown on the remaining land, ample supplies of wheat would be more nearly assured to fill marketing quotas in periods of below-average yields. These farms would grow no feed grains with program D (table 9). But both Kansas farms would grow grain sorghum in preference to feed wheat. The Colorado study farm would seed all its land to allotment wheat because the average rate of abandonment is so high. The Colorado farm would grow grain sorghum on part of its wheat seedings that fail to make a crop. Except for the Oklahoma farm, all study farms would have less land in fallow with program D, chiefly because of the land-reserve requirement. The Oklahoma study farm would not have this requirement because it would grow wheat cropped annually. The west-central Kansas farm would reduce its fallow acreage even more because it would grow more of its wheat in annual cropping. The Washington study farm would have less need for clean cultivated fallow to control weeds. With some acreage in the reserve, less land would be farmed.

Production of all grain (wheat and feed grains) in tons would be about 20 to 30 percent smaller except on the Washington study farm, where it would be about 4 percent smaller (table 9).

Gross cash returns on study farms would be about the same as with program A on the Kansas farms and from 7 to 14 percent higher on the other farms (table 9). Net returns would be improved even more because farm expenses would be lower with land in the reserve. Net returns to management and invested capital would be slightly higher than with program A on the northwestern Kansas farm, 15 percent higher on the west-central Kansas farm, and 20 to 39 percent higher on the other study farms. With program D, income effects on the representative wheat farms would vary widely from area to area.

TABLE 9.—Changes on study farms with program D

(In percent)

Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹	Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹
	Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources			Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources	
West-central Kansas	4	-64	-44	-28	9	-67	1	15	North-central Montana	14	-100	-20	-22	24	-100	9	25
Northwestern Kansas	-23	-15	-23	-21	-12	-15	-2	3	Eastern Washington	73	-100	-10	-4	62	-100	14	34
Northwestern Oklahoma	25	-100	(2)	-21	28	-100	10	39	Columbia Basin, Oreg.	23	-100	-20	-19	33	-100	12	37
Eastern Colorado	-3	-72	-5	-25	13	-72	7	20									
Northeastern Montana	14	-100	-20	-22	24	-100	11	38									

¹ Returns to management and capital.² No fallow used on this farm.

Program E—Marketing allotments on food wheat, stratified prices

Under this assumed program, each farm would have a marketing allotment in bushels equal to five-twelfths of the normal yield on its 1960 wheat base acreage. This quantity of wheat is supported at a U.S. average price of \$2.16 a bushel, about 90 percent of parity. For purposes of the study, the marketing allotment was presumed to be the farm share of the wheat required for domestic food use—the food wheat quota in program D. Other wheat could be produced and sold at the nonsupported price which, for purposes of the study, was assumed to be

\$1.25 a bushel, U.S. average. This other wheat could be exported, used industrially, or used for feed. Other crops, such as feed grains, could be produced on any remaining land, for sale at the assumed prices (table 3). There would be no land-reserve program.

In adjusting to program E, each of the study farms would produce the marketing allotment (bushels) of wheat. The allotment could be produced on about 44 percent of the wheat base acreage, leaving about 56 percent for production of other wheat, feed grains, or other crops. The choice would depend largely upon the relative returns from these crops.

Returns from grain sorghum at the assumed price would be substantially higher than returns from wheat at the nonsupported price on both Kansas study farms. Consequently, these farms would grow as many acres of grain sorghum as they could grow safely in view of the erosion hazard. They would use any remaining land for production of wheat for sale at the nonsupported price. Although grain sorghum would pay slightly better than wheat at the nonsupported price on the Colorado farm, the difference would not be sufficient to overcome a reluctance to change enterprises. Thus, the Colorado farm would produce no grain sorghum with program E, except on

part of its wheat seedlings that fail. On the Oklahoma, Montana, Washington, and Oregon farms, wheat grown would be at the nonsupported price in preference to feed grains, because wheat would bring a higher return (table 4). Also, by growing wheat on the remaining land, ample supplies of wheat would be more nearly assured to fill marketing quotas in periods of below-average yields. On the Kansas and Colorado farms, acreages of summer fallow would be reduced, whereas in the Oregon, Washington, and Montana farms, the same fallow acreages as in program A would be kept.

Total wheat production would increase with program E on all study farms except those in Kansas. On these farms, it would decrease. Wheat production would be nearly a sixth larger on the Colorado farm than with program A. It would be nearly a half larger on the Oklahoma, Montana, and Oregon farms, and nearly twice the wheat production under program A on the Washington farm.

The effect of program E on total grain production (tons) would also vary among the study farms. Grain production would decrease 5 percent on the Oklahoma farm and 11 percent on the Colorado farm. In contrast, grain production would increase 8 percent on the northwestern Kansas farm, and 10 percent on the Washington farm. On the other study farms—west-central Kansas, Montana, and Oregon—grain production would change very little. These differences would result from the relative yields of wheat and other grains. If the yields were equal, a shift in acreages between the crops would not affect total grain production. If the yields were unequal, the size of the shift would also affect the degree of change.

Income from wheat would increase with program E on all except the Kansas farms. On these farms, it would decrease because less wheat would be produced. These farmers would grow as much grain sorghum as they could grow with program E. On the

other study farms, income from wheat would increase with program E because these farmers would grow only wheat. Except for the Colorado farmer, who would plant grain sorghum on part of the wheat seedlings that fail, they would grow no other grains. Total gross income would decrease slightly on two study farms, would be unchanged on one, would increase roughly 5 percent on 4, and would increase by 12 percent on the Washington farm (table 10).

Program E would affect diversely the net returns to management and invested capital on each study farm, even if each made the most profitable adjustments available. Net return would be 4 to 19 percent higher than in program A on 5 of the farms but 2 to 11 percent lower on 3 farms. The Kansas and Colorado farms would have decreases. The Washington farm would have the largest increase in net returns followed by the Montana, Oregon, and Oklahoma farms in that order.

TABLE 10.—Changes on study farms with program E

[In percent]

Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹	Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹
	Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources			Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources	
West-central Kansas	7	19	-38	3	-3	9	0	-4	North-central Montana Eastern Washington Columbia Basin, Oreg	43	-100	0	-2	32	-100	6	11
Northwestern Kansas	-16	59	-16	8	-19	55	-2	-11		98	-100	0	10	65	-100	12	19
Northwestern Oklahoma	55	-100	(2)	-5	35	-100	4	4		54	-100	0	-2	37	-100	4	9
Eastern Colorado	16	-64	16	-11	12	-64	-3	-2									
Northeastern Montana	43	-100	0	-2	32	-100	6	14									

¹ Return to management and capital.² No fallow used on this farm.

Program F—No production controls, no support prices

Under program F, farmers would be free to produce wheat and other crops in any quantity and in any combination they wished, to the extent of their resources, for sale at nonsupported prices. U.S. average prices assumed per bushel are wheat \$1.25, barley \$0.90, and grain sorghum \$1.01. Corresponding prices of these crops for study farms are shown in table 3. Program F would have no provision for a land reserve.

Wheat production at the assumed nonsupported price would return more income per acre than barley on the Oregon, Washington, and Montana farms (table 4). These farmers would grow a maximum acreage of wheat and no barley. Wheat would also pay better than grain sorghum on the Okla-

homa farm. This farmer also would grow a maximum acreage of wheat. But on the two Kansas farms, wheat would not pay as well as grain sorghum. So operators of these farms would grow as much grain sorghum, with program F, as they could grow safely without serious hazard to erosion. Although grain sorghum would seem to pay a little better than wheat (at nonsupported prices) on the Colorado farm, this farmer prefers to grow wheat. As mentioned previously, he seeds winter wheat on all available land whenever crop prospects are favorable at the fall seedling date. He prefers not to take the chance that crop prospects may not be as good for grain sorghum the following spring. The Colorado study farmer grows grain sorghum as a catch crop when winter wheat seedlings fail.

Other changes on study farms are found in table 11.

The effects of program F on total grain production would vary on the different farms. Little or no change from program A would occur on the west-central Kansas, Montana, and Oregon farms (table 11). Grain production would increase about 10 percent on the northwestern Kansas and Washington farms. It would decrease 5 percent on the Oklahoma farm and 11 percent on the Colorado farm. This means that a shift from other grains to wheat would increase total grain output if wheat yielded more pounds of grain per acre, and it would decrease the total output if wheat yielded less per acre than feed grain. Study farms differ in this respect.

TABLE 11.—Changes on study farms with program F

[In percent]

Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹	Study farm	Change in acreage of—			Change in production, all grain	Change in gross income from—			Change in net returns ¹
	Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources			Wheat	Feed grain	Fallow		Wheat	Feed grain	All sources	
West-central Kansas	22	-18	-31	0	-22	-21	-21	-52	North-central Montana Eastern Washington Columbia Basin, Oreg	43	-100	0	-2	-1	-100	-20	-35
Northwestern Kansas	-1	56	-26	9	-38	48	-18	-49		98	-100	0	10	32	-100	-7	-19
Northwestern Oklahoma	55	-100	(2)	-5	2	-100	-22	-66		54	-100	0	-2	4	-100	-21	-44
Eastern Colorado	16	-64	16	-11	-20	-64	-29	-47									
Northeastern Montana	43	-100	0	-2	-1	-100	-20	-42									

¹ Return to management and capital.² No fallow used on this farm.

Although wheat production would increase, with program F, the gross income from wheat would actually fall on three of the study farms because of the lower price of wheat. Wheat income would be lower on the Kansas and Colorado farms. It would change very little on four study farms—those in Oklahoma, Montana, and Oregon. And it would increase substantially only on the Washington farm (table 11).

Gross farm income from all sources would be lower with program F on all study farms. On six of the farms, the reduction would be about 20 percent, but it would range from 7 percent on the Washington farm to 29 percent on the Colorado farm.

Net returns would decrease even more than gross returns with program F because expenses would be about the same as with program A. Program F would reduce the net return to management and invested capital by 19 percent on the Washington farm. The reduction would be 35 to 44 percent on the Montana and Oregon farms, about 50 percent on the Kansas and Colorado farms, and 66 percent on the Oklahoma farm.

Adjustments With a Land-Reserve Program for Cropland

A land reserve is a device for holding land out of production. It may or many not reduce the production of a specific crop. The recent acreage-reserve program reduced the acreage of allotment crops because it applied solely to these crops. But a reserve program might be unrelated to any specific crop; it would merely reduce the total acreage of crops on the farm, as did the 1958-60 conservation reserve program. This is the kind of reserve program discussed here.

Because the reserve land could come out of the acreage of any crop, it would tend to come first from the least profitable crops. If rental payments per acre were high enough and funds were available, the program would eventually reach the land now producing wheat. Before wheat production could be affected significantly in the study farm areas, the reserve would need to take the land out of less profitable crops such as oats, rye, barley, grain sorghum, and forages. The question is, What rate of annual rental payments per acre for reserve land would exceed the returns from these crops?

Land-reserve programs would mean a different kind of decision for the farmer than would either acreage-allotment or marketing-allotment programs. In the two latter programs the choice would be among crops within the present scale of farming operations. The land reserve would offer the choice of reduced scale of operations or of quitting farming. The farmer would need to consider what productive use he could make of his time (labor and management) and the capital that would be released from farming. A combination of part-time (or no) farming, land in the reserve, and part-time (or full) nonfarm employment might yield a larger net income than full-time farming. The nonfarm opportunities available to operators of the study farms were not considered. Such opportunities would depend upon both the availability of job opportunities and the training, aptitudes, and interests of the farmer. Instead, the net returns from farming with and without land in the reserve are compared and any nonfarm opportunities the farmer may have are disregarded.

For simplicity of analysis, the returns from crops and from the land reserve are compared using the data in table 4. The returns shown for the reserve are based on 1960 rental payment rates of the conservation reserve program.³ When cropland is diverted

from either wheat or barley grown on fallow, 2 acres are involved—one earns the full diversion rate and the other the nondiversion, or half rate. When cropland is diverted from a continuous crop, the 1 acre earns the full rate. The return from the land reserve under each circumstance is shown in table 4. The net return shown represents the rental payment minus taxes, insurance, and repairs to buildings and fences. Depreciation on equipment was not subtracted from returns of either the crops or the land reserve; for this analysis, depreciation is considered a business expense. To the extent that depreciation would be reduced, the reserve would be more attractive than the data indicate.

With these assumptions, the net return per acre from the land reserve compared with the net returns from crops on study farms is summarized as follows:

		<i>Return per acre from the reserve higher than—</i>
West central Kansas.	Wheat at feed price.	
Northwestern Kansas.	Wheat at feed price and grain sorghum.	
Northwestern Okla-homa.	Wheat at 65 percent of parity and grain sorghum.	
Eastern Colorado.....	Wheat at the non-supported price and grain sorghum.	
Northwestern Mon-tana.	Wheat at the non-supported price and barley.	
North central Mon-tana.	Wheat at feed price and barley.	
Eastern Washington..	None.	
Oregon.....	Wheat at the non-supported price and barley.	

If a land reserve with the assumed rates of payment were added to the programs considered in the study, the reserve would bring a higher return per acre than the following crops and might compete with them:

		<i>Land reserve could compete with—</i>
All programs.....	Feed grains on all farms except west-central Kansas and eastern Washington.	
Program C.....	Wheat on Oklahoma farm.	
Program D.....	Feed wheat on all farms except north-central Montana and eastern Washington; wheat on Oklahoma farm.	
Program E.....	Wheat at nonsupported price on Oklahoma, Colorado, northeastern Montana, and eastern Washington farms.	
Program F.....	All wheat on northwestern Oklahoma, eastern Colorado, northeastern Montana and Oregon farms.	

These comparisons suggest that in any land-reserve program, the rental rates should be carefully considered if the desired adjustments in land use are to be accomplished.

PATTERNS OF ADJUSTMENT ON STUDY FARMS

Study farms provide interesting similarities and contrasts in their patterns of adjustment to the array of programs considered in the study. Of particular interest are the production patterns of wheat and feed

grains, and the patterns of expenses and returns. These patterns are shown in figures 1 to 4, based on data from budget summaries in tables 12 through 19. The charts depict relationships only for the specific programs and prices assumed in the study.

West central Kansas farm: Total grain production in tons would be about the same with all programs except D, in which some land would be idled by the reserve. With the other programs, the variation in wheat production would be compensated for by an almost equal and opposite variation in production of feed grains. Expenses would be about the same except with programs D, in which they would be lower because some land would not be farmed.

Northwestern Kansas farm: Total grain production would be about 10 percent higher with programs B, E, and F, those under which more land would be in grain sorghum and less in wheat. With program B, the wheat acreage restriction would cause a shift to sorghum production. But with programs E and F, the shift to grain sorghum would be due to the lower returns from wheat at non-supported or feed prices. Net returns would be highest with program B, lowest with program F, and about the same with other programs. This farm alone would have the highest net return with program B.

Northwestern Oklahoma farm: Total grain production would decrease with any shift of land from grain sorghum to wheat as with programs C, D, E, and F. Expenses are about the same except with program D, in which some land is in the reserve. Net returns would vary widely; they would be highest with program D, followed by programs B, E, A, C, and F.

Eastern Colorado farm: As on the northwestern Kansas farm, total grain production would vary inversely with the acreage in wheat. Grain production would be largest with program B, under which wheat production would be most restricted. Grain production would be about 10 percent smaller with programs E and F, under which there would be a choice between wheat and grain sorghum, than with program A. Net returns would vary widely; they would be higher with programs D and B and lowest with program F.

Montana farms: the northeastern and north-central Montana farms would have similar patterns of production and income adjustments. Total grain production would be smaller with program D but would be about the same with the other programs. A substantial part of the grain would consist of barley with programs A, B, and C but entirely of wheat with programs E and F. Net returns would be enhanced with programs D and E and greatly depressed with program F.

Eastern Washington farm: Total grain production on this farm would be about the same with acreage-allotment programs A, B, and C, but it would be increased substantially with programs E and F, under which wheat acreage would not be restricted. With programs E and F, wheat would be the only kind of grain produced. As with the other farms, expenses would be about the same under all programs except D. The pattern of net returns would be similar to those on the Montana farms—highest with program D followed by program E, then A and B, then C, and lowest with program F.

Columbia Basin, Oreg., farm: The pattern of total grain production on this farm would be about the same as the pattern on the Montana farms—about the same production with programs A, B, and C, and slightly lower with programs E and F, under which only wheat would be produced. The pattern of net returns would be similar also—highest with program D and lowest with program F.

³ We assume no limitation in payment per farm.

ADDITIONAL TABLES BY PROGRAMS

TABLE 12.—Land use, production, and income with each program on the west-central Kansas farm (540 acres cropland, 440 acres wheat base)

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Wheat on fallow.....	Acre.....	110	149	79	61	68	76
Wheat, continuous cropping.....	do.....	170	61	157	230	232	267
Grain sorghum.....	do.....	138	165	116	49	164	113
Summer fallow.....	do.....	122	165	88	68	76	84
Land reserve.....	do.....				132		
Production: ¹							
Wheat.....	Bushel.....	4,444	3,776	4,969	4,249	4,424	5,033
Grain sorghum.....	do.....	2,932	3,598	2,397	960	3,208	2,325
Total grain.....	Ton.....	215	214	216	154	223	216
Income:							
Wheat.....	Dollar.....	8,088	7,628	7,702	8,815	7,830	6,342
Grain sorghum.....	do.....	2,990	3,671	2,445	980	3,273	2,371
Land reserve.....	do.....				1,375		
Gross income.....	do.....	11,078	11,299	10,147	11,170	11,103	8,713
Expenses ²	do.....	6,403	6,297	6,483	5,804	6,620	6,487
Net return ³	do.....	4,675	5,002	3,664	5,366	4,483	2,226

¹ Excludes seed.² Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.³ Return to management and capital.

TABLE 13.—Land use, production, and income with each program on the northwestern Kansas farm (770 acres cropland, 417 acres wheat base)

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Wheat on fallow.....	Acre.....	270	202	240	207	228	200
Wheat, continuous cropping.....	do.....			84			67
Grain sorghum.....	do.....	162	316	146	138	257	253
Summer fallow.....	do.....	338	252	300	259	285	250
Land reserve.....	do.....				166		
Production: ¹							
Wheat.....	Bushel.....	5,510	4,108	5,982	4,226	4,645	4,941
Grain sorghum.....	do.....	2,890	5,294	2,482	2,450	4,485	4,305
Total grain.....	Ton.....	246	271	249	195	265	269
Income:							
Wheat.....	Dollar.....	9,863	8,216	9,153	8,635	7,967	6,127
Grain sorghum.....	do.....	2,890	5,294	2,482	2,450	4,485	4,272
Land reserve.....	do.....				1,370		
Gross income.....	do.....	12,753	13,510	11,635	12,455	12,452	10,399
Expenses ²	do.....	6,998	7,440	7,147	6,455	7,304	7,445
Net return ³	do.....	5,755	6,070	4,488	6,000	5,148	2,954

¹ Excludes seed.² Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.³ Return to management and capital.

TABLE 14.—Land use, production, and income with each program on the northwestern Oklahoma farm (735 acres cropland, 718 acres wheat base)

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Wheat.....	Acre.....	473	355	568	592	735	735
Grain sorghum.....	do.....	262	380	167	0	0	0
Land reserve.....	do.....				143		
Production: ¹							
Wheat.....	Bushel.....	6,786	5,247	8,017	8,286	9,944	9,944
Grain sorghum.....	do.....	3,925	5,700	2,259	0	0	0
Total grain.....	Ton.....	313	317	304	249	298	298
Income:							
Wheat.....	Dollar.....	12,079	10,598	12,345	15,496	16,367	12,330
Grain sorghum.....	do.....	3,728	5,415	2,146			
Land reserve.....	do.....				1,863		
Gross income.....	do.....	15,807	16,013	14,491	17,359	16,367	12,330
Expenses ²	do.....	10,059	9,921	10,154	9,389	10,346	10,346
Net return ³	do.....	5,748	6,092	4,337	7,970	6,021	1,984

¹ Excludes seed.² Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.³ Return to management and capital.

TABLE 15.—Land use, production, and income with each program on the eastern Colorado farm (1,800 acres cropland, 803 acres wheat base)

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Wheat.....	Acre.....	550	412	660	535	639	639
Grain sorghum.....	do.....	364	724	135	102	130	130
Summer fallow.....	do.....	886	664	1,005	841	1,031	1,031
Land reserve.....	do.....				322		
Production: ¹							
Wheat.....	Bushel.....	8,204	6,145	9,834	8,025	9,531	9,531
Grain sorghum ²	do.....	4,365	8,685	1,620	1,230	1,560	1,560
Total grain.....	Ton.....	368	428	340	275	330	330
Income:							
Wheat.....	Dollar.....	14,521	12,290	15,046	16,532	16,323	11,628
Grain sorghum.....	do.....	3,754	7,469	1,393	1,058	1,342	1,342
Land reserve.....	do.....				1,932		
Gross income.....	do.....	18,275	19,759	16,439	19,522	17,665	12,970
Expenses ³	do.....	7,762	8,328	7,536	6,851	7,394	7,394
Net return ⁴	do.....	10,513	11,431	8,903	12,671	10,271	5,576

¹ Excludes seed.² 252 and 640 acres, respectively, of sorghum in programs A and B is grown in continuous rotation. The remaining sorghum in all programs is grown on abandoned wheat land.³ Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.⁴ Return to management and capital.

TABLE 16.—Land use, production, and income with each program on the northeastern Montana farm (1,156 acres cropland, 578 acres wheat base)

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Spring wheat.....	Acre.....	405	304	486	462	578	578
Barley.....	do.....	173	274	92			
Summer fallow.....	do.....	578	578	578	462	578	578
Land reserve.....	do.....				232		
Production: ¹							
Wheat.....	Bushel.....	5,954	4,469	7,144	6,781	8,495	8,495
Barley.....	do.....	3,399	5,354	1,808			
Total grain.....	Ton.....	260	263	258	203	255	255
Income:							
Wheat.....	Dollar.....	10,241	8,715	10,502	12,693	13,477	10,109
Barley.....	do.....	2,447	3,876	1,302			
Land reserve.....	do.....				1,333		
Gross income.....	do.....	12,688	12,591	11,804	14,026	13,477	10,109
Expenses ²	do.....	6,666	6,687	6,649	5,696	6,631	6,631
Net return ³	do.....	6,022	5,904	5,155	8,330	6,846	3,478

¹ Excludes seed.² Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.³ Return to management and capital.

TABLE 17.—Land use, production, and income with each program on the north-central Montana farm (1,156 acres cropland, 578 acres wheat base)

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Winter wheat.....	Acre.....	405	304	486	462	578	578
Barley.....	do.....	173	274	92			
Summer fallow.....	do.....	578	578	578	462	578	578
Land reserve.....	do.....				232		
Production: ¹							
Wheat.....	Bushel.....	8,465	6,354	10,157	9,661	12,080	12,080
Barley.....	do.....	4,817	7,640	2,564			
Total grain.....	Ton.....	370	374	366	290	362	362
Income:							
Wheat.....	Dollar.....	13,629	11,691	13,814	16,931	17,963	13,530
Barley.....	do.....	3,324	5,272	1,769			
Land reserve.....	do.....				1,652		
Gross income.....	do.....	16,953	16,963	15,583	18,483	17,963	13,530
Expenses ²	do.....	7,197	7,224	7,174	6,290	7,149	7,149
Net return ³	do.....	9,756	9,739	8,409	12,193	10,814	6,381

¹ Excludes seed.² Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.³ Return to management and capital.

TABLE 18.—*Land use, production, and income with each program on the east Washington farm (520 acres cropland, 255 acres wheat base)*

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Wheat.....	Acre.....	166	125	199	287	329	329
Barley.....	do.....	163	204	130			
Peas.....	do.....	104	104	104	104	104	104
Summer fallow.....	do.....	87	87	87	78	87	87
Land reserve.....	do.....				51		
Production: ¹							
Wheat.....	Bushel.....	8,238	6,098	9,916	13,900	15,890	15,890
Barley.....	do.....	7,792	10,271	5,915			
Peas.....	Hundredweight.....	1,210	1,210	1,210	1,210	1,210	1,210
Total grain.....	Ton.....	434	429	439	417	477	477
Income:							
Wheat.....	Dollar.....	14,417	12,074	15,072	23,397	23,742	19,068
Barley.....	do.....	6,389	8,422	4,850			
Peas.....	do.....	4,356	4,356	4,356	4,356	4,356	4,356
Land reserve.....	do.....				969		
Gross income.....	do.....	25,162	24,852	24,278	28,722	28,098	23,424
Expenses ²	do.....	12,987	13,320	13,034	12,383	13,500	13,500
Net return ³	do.....	12,175	11,532	11,244	16,339	14,598	9,924

¹ Excludes seed.² Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.³ Return to management and capital.TABLE 19.—*Land use, production, and income with each program on the Columbia Basin, Oreg., farm (1,600 acres cropland, 800 acres wheat base)*

Budget item	Unit	Acreage allotments			Marketing allotments on—		No controls or supports (program F)
		1960 allotments (program A)	Reduced allotments (program B)	Increased allotments (program C)	Food and export wheat (program D)	Food wheat only (program E)	
Land use:							
Wheat.....	Acre.....	520	390	624	640	800	800
Barley, winter.....	do.....	153	231	99			
Barley, spring.....	do.....	122	179	77			
Land reserve.....	do.....				320		
Summer fallow.....	do.....	800	800	800	640	800	800
Production: ¹							
Wheat.....	Bushel.....	16,120	12,285	19,344	19,840	24,000	24,000
Barley.....	do.....	10,456	15,308	6,571			
Total grain.....	Ton.....	735	736	738	595	720	720
Income:							
Wheat.....	Dollar.....	28,855	24,939	29,983	38,442	39,590	30,000
Barley.....	do.....	9,097	13,318	5,717			
Land reserve.....	do.....				3,960		
Gross income.....	do.....	37,952	38,257	35,700	42,402	39,590	30,000
Expenses ²	do.....	20,140	20,105	20,147	17,932	20,152	20,049
Net income ³	do.....	17,812	18,152	15,553	24,470	19,438	9,951

¹ Excludes seed.² Includes a charge for all labor at hired wage rates and all other expenses except a charge for use of capital.³ Return to management and capital.

Mrs. MAY. I want to commend the gentleman, and I would like to have all Members study his suggestions, particularly the significance of this objective study of several hypothetical plans in every major producing area, plans similar to the bushel plan which is sponsored by the National Association of Wheat Growers, the Farmers Union, and others, which shows that this is the plan which brings about the highest income return but, at the same time, results in the smallest quantity of total production of wheat which would bring down in the controlled area the wheat production instead of having it go into storage.

I thank the gentleman.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Kansas.

Mr. BREEDING. I want to congratulate the gentleman from Washington for

his wonderful talk here today and his contribution to this committee.

I should like to bring up the question of acreage. I noticed in the gentleman's statement he said that world acreage for wheat was increasing, yet we in the United States are losing acreage.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BREEDING. What is going to happen to the American wheat farmer if this situation continues to exist?

Mr. HORAN. I do not think our American wheat farmer is pleased with acreage restrictions. I am happy to have talked to and to have served with my colleague from Kansas in the direction of more use of wheat, more marketing of wheat, because it just does not make

sense for us to hog-tie the American farmer, then try to liberate the farmers all over the world. We may be able to control our own citizens but we cannot control people in foreign countries. That is one of the things that we have to face when we try to solve the farm programs. These facts I have placed in the RECORD I think are as good as we can get. I have had the Foreign Service working on it for some time.

Mr. BREEDING. Does not the gentleman think there ought to be more appropriations for expanding marketing development in foreign countries? I know the field is stifled somewhat, as we cut down our production. What is the gentleman's opinion?

Mr. HORAN. I believe the Department will come up with a program that this subcommittee will be very cordial to. We have in the bill this item, what was in the budget when it originally came up,

it was not revised by the new administration.

Mr. BREEDING. Expanded markets would be the answer to part of our problem here?

Mr. HORAN. I want to say not only is my friend from Kansas serving ably here but his predecessor was one of the fine representatives of the wheat industry and other elements of American agriculture. I commend to the Committee of the Whole House the reading of the testimony of the former Member here, the Honorable Clifford R. Hope, when he appealed to the subcommittee for additional funds for wheat utilization. It is splendid because he breaks down this utilization, not into the making of industrial alcohol that we might burn in automobiles or to paper which is being created at Peoria, but in better utilization as human food.

Mr. BREEDING. Did not Mr. Hope appear before the gentleman's committee and ask for an increased appropriation?

Mr. HORAN. Yes. I have checked and under the able leadership of Dr. Hazel Stiebling we are already carrying on considerable of the work that he did request, and that can be improved, I am certain.

Mr. BREEDING. I thank the gentleman.

Mr. McINTIRE. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Maine.

Mr. McINTIRE. I noted with interest the gentleman's reference to the appearance of the Honorable Clifford Hope before the committee. I have read his statement. I also wish to commend the gentleman from Washington for his very excellent statement before the House today. I noticed his interest in the provisions of this bill and in the report relative to market development work. Those of us who have worked on the legislative side of Public Law 480 have been very much interested in the provision that some of these funds shall be made available. We have been very much concerned that there are others who feel they ought to have access to these funds in connection with market development, which is at the end of the road as far as funds are concerned.

Mr. HORAN. The gentleman is referring to other departments?

Mr. McINTIRE. That is right; other departments of Government. Is it the opinion of the gentleman that perhaps at long last we have these funds sufficiently well identified, both legislatively and in the appropriation bill, so that they will be used for these purposes?

Mr. HORAN. Well, that is a subject that concerns us all, and I know it concerns my colleague, the gentleman from Ohio [Mr. Bow], because we have made a study of these foreign currencies that are a residue of our activities under Public Law 480. You understand that Public Law 480 made it possible for us to sell our surplus foods for foreign soft currencies, and these are variously distributed. A portion of these currencies finds its way back into our own Treasury, and we have a considerable sum

there. And, it just seems to me that some of the departments are somewhat like the casual visitor to Las Vegas. He is leaving the gambling halls and he just cannot wait to spend the last change in his pocket. We find various groups wanting to spend this money abroad, but I want to see our expenditures of those soft currencies reflected in some help to the American taxpayer, and I think in this bill they are, because we have moved out of storage enormous amounts of our surplus commodities to places where it is needed, to places where China and Russia cannot supply wheat and the good things in life. But, in the uses by the other departments we should find a way so that the benefit of the expenditure of these soft currencies is reflected in some help for the American taxpayer here at home.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriation bill for the Department of Agriculture.

It has been a pleasure serving with our chairman, the able and distinguished gentleman from Mississippi, Mr. WHITTEN. It is a distinct honor to be permitted to serve on this committee with Mr. SANTANGELO, of New York, and Mr. SLACK, of West Virginia. The American farmer has no better friend than the ranking minority member on our committee, the distinguished gentleman from Minnesota, Mr. ANDERSEN. It is a pleasure serving with the distinguished gentleman from Washington, Mr. HORAN, and the distinguished gentleman from Illinois, Mr. MICHEL. We are fortunate to have as our executive secretary Ross P. Pope.

We are in a race with the Soviet Union in outer space and in certain other fields, but this does not apply to agriculture. Our country today is the strongest, most productive and wealthiest nation on earth, and in the field of agriculture we have unquestioned superiority.

Today only 8.7 percent of our people live on farms, but we are still leading the world in agriculture. The Soviet Union has 50 percent of its people living on farms and they are still unable to keep up with the necessary requirements of their country. In our country only 1 person in 12 is engaged in agriculture, and in the Soviet Union 1 out of every 3 is engaged in agriculture.

Under no circumstances should the people in this country criticize the American farmer. Living as we are in the most crucial period in the history of our Nation, we must not only recognize the achievements of American agriculture, but we should be proud of the fact that we are producing all of the food and fiber necessary for our people.

A few people believe that agriculture is not as important as it once was due to the fact that only about 12 percent of our population live on our farms. We must remember that agriculture is still our largest industry and is still the

mainstay of our national economy. It is true that the workers engaged in farming have declined over the years and that today only some 7.1 million people are employed on our farms and ranches. This is still 12 times as many people as work in the steel industry; nearly twice as many as the number of people in our transportation industry and public utilities combined, and nearly 9 times as many people as work in the automobile industry. More workers are engaged in farming than in all of the industries that manufacture nondurable goods, including textiles, processed foods, wearing apparel, tobacco products, paper and paper products, printing and publishing, chemical products of all kinds, coal and petroleum products, and products made from rubber and leather.

In addition to those who live on our farms, some 6 million people have jobs furnishing the equipment and supplies necessary for our farmers. Ten million people have jobs storing, transporting, processing and merchandising agricultural products. In this country today 35 percent of all the American workers now in civilian employment are in jobs relating directly to agriculture.

Area by area and crop by crop, our agriculture is the envy of the Communist world. We must continue our efficiency of production. When we produce our agricultural commodities at lower unit cost our farmers receive benefits by way of savings and the same applies to the consumers. We are a great agricultural nation.

From time to time we hear complaints over what is being done to our family-size farm, but not too much action is taken to correct the treatment received by the family-size farmers. When we consider the family farm, we must remember that on this farm most of the labor and management is performed by the operator and the members of his family, and the main source of income comes from this particular farm.

In 1954, we had 4,782,000 farms in the United States. The 1960 census shows a decrease of 23 percent, which makes the total today only 3,704,000. From 1954 to 1960 the size of our farms has increased from 242 acres to 302 acres. The value of the land and the buildings per farm totaled \$20,405 in 1954, and in 1960 the total was \$33,242.

The productivity of the individual American farmer increased more in the last two decades than at any time in the past. Regardless of this amazing record, realized net farm income dropped about one-third from the year 1947 to the year 1960.

Regardless of our farmers' improved efficiency, his income has been going down. Today, he is paying more for the products he must buy and at the same time is receiving less for the commodities he sells. Our American farmer is making a great and essential contribution to the national welfare but is not being rewarded equally with other groups in the Nation. Our gross farm income for 1945 totaled \$25.8 billion and production expenses totaled \$12.9 billion. The realized net income for this year was \$12.9 billion.

In 1950, the realized gross income for the American farmer totaled \$32.5 billion with production expenses amounting to \$19.3 billion. Here, we have a realized net income of only \$13.2 billion. In the year 1960, the realized gross income of our farmer was \$37.9 billion and production expenses totaled \$26.3 billion. This leaves a realized net income of only \$11.6 billion.

We must keep in mind that the farmers' share of the consumers' dollar for food totaled 51 percent in 1948 and 49 percent in 1951. The American farmer in 1960 received only 39 percent of the consumers' dollar for food purchased.

Our farms are the real backbone of our country and it is largely from the fruits of the soil that we have established our present position of being the strongest, wealthiest and most productive Nation on earth.

Mr. Chairman, for fiscal year 1962, we recommend \$1,379,006,000 for regular activities; \$1,951,915,000 for reimbursements to the Commodity Credit Corporation for foreign assistance and special programs for fiscal year 1961; \$1,017,610,000 for restoration of Commodity Credit Corporation capital impairment for fiscal year 1960; \$1,600 million for foreign assistance program for fiscal year 1962; and \$35,000 for related agencies.

For Agricultural Research Service, we recommend appropriations totaling \$196,807,000. For research, we recommend \$76,558,000; for plant and animal disease and pest control \$55,165,000; and for meat inspection \$24,216,000.

We recommend that the committee appropriate \$69,992,000 for our Extension Service. For Soil Conservation Service, we recommend \$178,680,000.

For Rural Electrification Administration, we recommend \$125 million direct authorization for electrification loans together with a contingency authorization of \$70 million, making a total of \$195 million for electrification loans. This is an increase of \$25 million over the 1961 fiscal year authorization. We recommend a direct authorization for telephone loans of \$120 million together with a contingency authorization totaling \$30 million. The total recommended for telephone loans is \$150 million, which is \$10 million more than the 1961 fiscal year authorization.

For Agricultural Marketing Service, we recommend an appropriation for fiscal year 1962 of \$37,702,000 for marketing research and marketing services. We further recommend that the committee appropriate \$1,195,000 for payments to States and possessions under the Agricultural Marketing Service.

SCHOOL LUNCH PROGRAM

Our greatest asset is our school-children. We recommend \$125 million for the school lunch program for fiscal year 1962. This is an increase of \$15 million over the 1961 appropriation and is \$5 million over the 1962 budget request. In addition, we recommend that \$45 million be transferred from section 32 funds to be used to purchase meats and other foods necessary to provide balanced school lunches. This is the same transfer authority which was ap-

proved for fiscal year 1961. Of the \$15 million increase, we recommend that \$10 million be used to provide special assistance to help needy schools defray the cost of serving lunches to needy children. Our bill contains the language authorizing the Secretary to allocate this money to areas of greatest need and to prescribe the standards and criteria under which the funds will be used.

RURAL ELECTRIFICATION ADMINISTRATION

In our Rural Electrification Administration program we now have approximately 5 million consumers on REA-financed lines. Some 96 percent of the farms, ranches, and rural establishments of this country now have electricity. The average number of consumers per mile is about 3.1 and a large number of the cooperatives average less than 2 consumers to a mile. Since a great many of the cooperatives are operating in such thin territory, the amount of equity REA borrowers have accumulated is exceedingly low. Approximately 50 percent of the rural electric systems have less than 20 percent equity in their facilities. Our REA program is one of the great achievements of our present-day Government and it is imperative that an adequate amount be authorized for Rural Electrification Administration loans for fiscal year 1962.

TOBACCO RESEARCH

Last year the need for additional research in tobacco was clearly established. The tobacco industry is undergoing scientific and technological changes that have so significantly affected American agriculture as a whole that tobacco has been neglected in terms of an adequate research program which would provide for its progress and welfare.

At the present time, between 400 and 500 hours of human labor are required to produce and harvest an acre of tobacco. This commodity is grown on a total of approximately 1,154,000 acres in 22 States and is a major source of income in 8 of these States. Seven hundred and fifty thousand farm families are engaged in the production of tobacco and the number of hours required to produce an acre of tobacco has changed very little over the past 50 years. Tobacco is one of the most important cash crops in America. According to the figures for 1958, the amount received from tobacco was \$1,007 million which makes this amount the fifth largest amount received from agricultural commodities. Tobacco pays its own way. A little over \$2½ billion annually is received in tobacco taxes by the Federal, State and local governments. Of this amount, \$1,700 million goes into the Federal Treasury and this does not include indirect taxes. In January of 1960 the Kentucky Legislature approved the sum of \$1 million to be used in the construction of an Agriculture Research Building and, in addition, appropriated \$50,000 for tobacco research. The Tobacco Research Laboratory established in the Agriculture Appropriations bill for fiscal year 1961 at Lexington, Ky., will be housed in this new Agriculture Research Building. Ordinarily, in establishing a

research laboratory, the cost of the building is paid by the Federal Government and, in most instances, the cost of the land must also be paid for by the Government before a research laboratory is constructed. Kentucky's action clearly shows the need for tobacco research and certainly sets a precedent. The research laboratory established will research all types of tobacco. In this country we produce burley, dark, flue-cured, Maryland type tobacco, and other types. The Research Laboratory established will prove of great benefit to the tobacco producers in the 22 States involved. We recommend approval of the amount carried in the bill totaling \$205,000 for use at the new research laboratory at Lexington, Ky.

SOIL CONSERVATION

Our soil conservation districts were started some 26 years ago as an experiment in local self-government. Today our districts include approximately 96 percent of all of the farms and ranches in our country. No program has had a greater impact upon American agriculture, and each year the importance of this particular program will increase. The people in this country generally support our soil and water conservation program. In Kentucky, we have 122 soil conservation districts in the 120 counties, and today over 86,000 farms are participating in this program. In Kentucky, thousands of acres of good farmland have been restored to productive capacity by our soil conservation service, and the eastern and western sections of Kentucky, where we annually suffer flood damage, are in much better condition.

RESEARCH

The American farmer receives many benefits from our agriculture research program and it is all important that this program be geared to the problems now confronting American agriculture and be able to meet future problems. A good research program must reduce waste and losses and improve efficiency of production. Such a program must also improve processing, marketing, and consumption. In order to prosper, we must develop new and improved crops and production and expand our markets for the sale of our commodities. If we are to have an adequate research program it must provide improved nutrition and better living for rural and urban people. It is true that our agriculture research funds have increased over the years, but the results justify the amounts expended.

SOIL AND WATER RESEARCH LABORATORY

Drought, poor drainage and rapid runoff cause water problems of critical importance in Kentucky. Soil and water are two of the most important resources in the State of Kentucky. Soil erosion is a particularly serious problem on the majority of Kentucky's 193,000 farms. This is due to the high percentage of sloping lands and the erosive nature of many of the soils and the character of the rainstorms which create an erosive problem. The increasing demand for application of conservation measures in Kentucky under the Public Law 566 pro-

gram creates a growing need for basic information which will lead to more effective methods of soil and water conservation. Lack of adequate research information is handicapping efforts of State and Federal agencies in planning and applying land and water use and watershed protection programs in the State. Kentucky is one of the only two of the larger States in the entire humid region which does not have federally supported cooperative soil and water conservation investigations. Studies of the soil and water research needs of Kentucky have revealed critical and immediate problems for which information is lacking. A Soil and Water Conservation Research Laboratory should be established in Kentucky. This laboratory would serve not only Kentucky but those adjoining States which are also in need of such a research program.

Mr. Chairman, when our farmer is prospering, tractors, automobiles, combines, trucks, milking machines and mechanical devices of every description are moving from the factory to the farm. We also know that modern farm problems are tremendously complex and there is no easy answer.

Our committee recommends this bill to the Members of the House.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I am delighted to yield to my distinguished friend from Minnesota.

Mr. ANDERSEN of Minnesota. First may I express my appreciation for the kind remarks the gentleman from Kentucky made relative to the work of the gentleman from Minnesota.

The gentleman has referred to the benefit to our economy from a prosperous agriculture, if and when that is obtained. We might also point to the fact that the Rural Electrification Program, which has been so successful, as the gentleman knows, and which the gentleman from Kentucky has been one of the leaders in promoting throughout the United States, has pumped \$12 billions worth of business back into the private economy channels in America. \$12 billion worth of radios, television sets, electric irons, and electrical articles of every description have been first manufactured by the makers of these appliances and then sold in the farm areas in the United States, simply because of the fact that we do have the Rural Electrification Administration.

Mr. NATCHER. I thank my friend for his statement, and I certainly concur with his remarks concerning the Rural Electrification Administration.

(Mr. NATCHER asked and was given permission to revise and extend his remarks.)

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. MICHEL].

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, we have before us today a bill calling for expenditures of nearly \$6 billion to run the Department of Agriculture and finance its related activities—and I might

say some not so closely related—for the coming fiscal year.

We are now paying the bill for authorizations enacted by the Congress years ago, and unfortunately during the deliberations of those authorizing acts too little consideration was given to the cost of the program. The legislative committee on agriculture has the responsibility for drafting and reporting to the House authorizing legislation, but it is the responsibility of our Appropriations Committee to scrutinize carefully the line items calling for expenditures of public funds. The full searching light of inquiry should be made into the costs of all programs presented for authorization. All of us are aware of the current legislation before the House Agriculture Committee and so far as I have been able to determine no serious attempt has been made to estimate the costs of administering such a program as outlined.

For example, the most recently enacted farm legislation, the so-called emergency feed-grain bill, enacted on March 22 of this year, did not include an estimate of administrative cost. However, subsequently and prior to the end of the sign-up program for feed grains, the Department had asked our committee for \$20.5 million for administrative expenses. We reduced this amount to \$15 million, a decrease of \$5.5 million in the budget, but I would wager that before the fiscal year is out there will be a request for supplemental funds. I cite this figure to call attention to the fact that little or no mention was made of this expenditure when the program was presented by the legislative committee earlier this year.

It is always a stimulating experience to participate in the consideration of appropriation items for the Department of Agriculture since I have the honor to represent one of the best agricultural districts in the country. Our land is relatively flat and level and sells in the neighborhood of \$500 to \$700 per acre and taxed at \$10 and \$12 an acre. Ours has always been a farming community, and I presume it always will be. Nearly 100 percent of the farmers in my district farm on a full-time basis, and use the most advanced methods of production and marketing; and for the most part dislike the regimentation imposed by the Federal Government upon their operations. Our farmers in the main are an independent resourceful lot.

There are several programs, and sizable ones, with which I am very much concerned. The first is the insistence of the committee to disregard the recommendation of the President with reference to the agricultural conservation program. This program is designed to stimulate farmers and ranchers to voluntarily apply needed conservation measures. It is used in nearly all States and territories of the United States and has over the years provided splendid technical service to operators to conserve our natural resources. However, in recent years practices have violated what was considered to be basic conservation practices and have gotten over into the field of production which is in contradic-

tion not only to this administration but to all past administrations to reduce output. I refer specifically to the application of lime and phosphates to land which definitely increase production, and I do not believe is necessary in a conservation project. I am somewhat disturbed also because of the fact that in the face of the decline of the number of farmers participating in the ACP program the advance authorization is continued by this committee at the \$250 million level.

On page 10 of the committee report reference is made to strip-cropping and contour farming which has been instituted on several millions of acres. If my memory serves me correctly, part of this should be credited to the Soil Conservation Service, which has been very effective in many of these districts. It appears to me that part of the justification for the ACP program rests on the accomplishments of the soil conservation districts.

For the last several years I have offered amendments to cut this particular item by \$50 million and \$100 million, and I have not had too good a support from Members on the floor of the House. I know it is not an easy task for a Member of Congress to tell a farmer that he has voted to take \$100, \$200, or \$300 away from him in ACP payments, but I just happen to have the old-fashioned belief that conservation of one's own land is the individual's responsibility and that if we eliminated the entire program all of our farmers would be on an even footing and we would save an expenditure of a quarter of a billion dollars.

There has been more concern expressed in this Congress about back-door spending. I think we ought to touch a little bit on the operations of the Commodity Credit Corporation, and the Public Law 480 program. I am rather distressed when I find even Members of the Congress coming to me and, frankly, knowing so little about how the Public Law 480 program works and for what we are selling our commodities abroad. These commodities are not being sold for dollars but for local currencies which cannot be used to restore the capital impairment of CCC. In this bill we are restoring the capital impairment of the Commodity Credit Corporation for sales made in 1960 and 1961. We are not getting hard dollars for these sales abroad and so we have to come back eventually and restore the capital impairment of the Commodity Credit Corporation, and this is brought home to us very forcefully in the bill we have here today. There has been some question as to the committee taking it upon itself to put this on a pay-as-you-go basis. In other words, we have added an additional \$1,600 million—to place this particular program on a pay-as-you-go basis. In other words, we are saying in effect we would like to see Public Law 480 operated in this coming year within these limitations. It should bring the financial operations of Public Law 480 out into the open. I think it is a step in the right direction.

The gentleman from Indiana [Mr. HARVEY] earlier had raised a question as to what is being done in utilization re-

search. I support the research activities of the committee. I think we told the Department we would like to see a little more emphasis on utilization rather than basic research, and we provided funds in the bill for that. Specifically, in answer to the question of the gentleman from Indiana, I would refer him to pages 421 and 422 of the hearings.

Mr. Chairman, I now turn to a discussion of the REA program. Rural electric cooperatives should be complimented on the remarkable job they have done for the past 25 years getting electricity to the Nation's farmers. It was brought out in the hearings that since the inception of the electrification program in 1935, the percentage of farms with central station electric service has increased from about 10 percent to approximately 97 percent, with the facilities financed by REA serving slightly more than one-half of these farms. In addition, REA facilities were serving 2 million non-farm customers.

As a member of this subcommittee, I have a particular interest in this program—what it has accomplished and where it may be going in the future. I

want to see that farmers have the needed funds to take care of their electrical requirements—and I think the Congress is making certain of this—but at the same time there are several aspects of the program brought out in the course of the hearings which cause me serious concern.

The rural electric program is being sold to the American people and to the Congress on the representation that it was to be self-liquidating and, therefore, does not constitute a drain on the taxpayers.

The program is now 25 years old, which seems to me should make it mature enough to start standing on its own 2 feet. However, the borrowers are still receiving more money annually from the Federal Government than they are repaying, thereby increasing the taxpayer debt. I prepared a chart on this subject based on the following data. It appears on page 499 of the hearings.

The chart shows that the difference between REA funds being advanced and principal being repaid is becoming increasingly greater year by year rather than lesser.

Rural electrification program—Loan advances, principal collections and funds outstanding, 1942–60

[Millions of dollars]

As of June—	Loan advances		Principal collections		Funds outstanding (advances less principal repayments)
	Annual	Cumulative	Annual	Cumulative	
1942.....	58.2	354.6	5.5	12.4	342.2
1943.....	14.6	369.2	12.1	24.5	344.7
1944.....	18.4	387.6	15.1	39.6	348.0
1945.....	39.8	427.4	10.7	50.3	377.1
1946.....	87.2	514.6	11.0	61.3	453.3
1947.....	190.1	704.7	13.6	74.9	629.8
1948.....	246.2	950.9	21.2	96.1	854.8
1949.....	321.3	1,272.2	22.7	118.8	1,153.4
1950.....	286.7	1,558.9	26.7	145.5	1,413.4
1951.....	268.1	1,827.0	37.2	182.7	1,644.3
1952.....	227.6	2,054.6	48.4	231.1	1,823.5
1953.....	207.6	2,262.2	48.8	279.9	1,982.3
1954.....	181.6	2,443.8	59.0	338.9	2,104.9
1955.....	156.7	2,600.5	74.4	413.3	2,187.2
1956.....	154.7	2,755.2	79.8	493.1	2,262.1
1957.....	186.0	2,941.2	84.3	577.1	2,363.8
1958.....	205.3	3,146.5	97.2	674.6	2,471.9
1959.....	211.8	3,358.3	99.9	774.5	2,583.8
1960.....	222.6	3,580.9	100.2	874.7	2,706.2

Source: Rural Electrification Administration, "Rural Lines, U.S.A.," Washington, U.S. Government Printing Office, 1960, p. 56. Data for fiscal 1960 from Rural Electrification Administration, Monthly Statistical Bulletin, July 1960.

Unfortunately, this discrepancy will tend to grow larger now that virtually all of the farms have been electrified and the REA is concentrating more on loans for construction of the more expensive generating and transmission facilities and facilities to serve large industrial and nonfarm loads.

REA was given an opportunity to comment on the chart and admitted it is correct. The first sentence of their statement on page 500 of the hearings says, "The chart, 'Rural Electrification Loan Program' accurately reflects the status of loan funds advanced, funds outstanding, and cumulative principal repaid for the electrical program for 1942 to 1960."

The REA statement then goes on to discuss the repayment of loans, but never once does the REA address itself to my fundamental question relating to the non-self-liquidating nature of the over-

all program. Thus, let us here and now admit to the people of this Nation that the rural electrification program as it is presently operating is not really self-liquidating.

While it is true that some individual loans have been repaid and others will be repaid in the future, the fact still remains that borrowers always come back to the Government for additional expansion funds. This means the program as a whole can be viewed as an inverted pyramid getting larger and larger as it goes up. Congress seems to have accepted the policy that it is necessary to provide Federal loan funds for the REA at 2 percent—a rate of interest lower than that paid by the Government on its borrowings.

Therefore, it would seem to be sound fiscal policy to make every effort to get this program on a self-liquidating basis

to the point where it is showing a decreasing balance rather than a consistently increasing balance as has been the experience to date, because if the present trend continues there may come a time in the not too distant future when this Nation's taxpayers may either be unwilling or unable to carry the load.

The Nation's rural electric program must continue to meet the future energy needs of cooperative customers effectively. To accomplish this without being too burdensome on the taxpayers, Congress must assure the most efficient and economical use of REA loan funds. This can only be done by a more careful examination of loan applications—particularly for generation and transmission type loans since they are relatively much larger in size—in terms of whether the loan must absolutely be made or whether more benefits will accrue to the cooperative customer by utilizing an alternative source of power.

I might say that there is a small reference to this particular item in our report at page 27, and I am very happy to see it there.

At the present time there seems to be no checks or balances on this type loan even though 40.5 percent of last year's appropriations were for G. & T. facilities. However, the G. & T. loan application is held in absolute secrecy and it is impossible for existing suppliers to learn whether their wholesale business is being taken away from them or even given a chance to bid on a new contract which might prove more favorable to the farmer consumers of an REA cooperative than a generating plant of their own.

Our very capable subcommittee chairman, the honorable gentleman from Mississippi, seems to be concerned about this problem, also. During the hearings, he sincerely said, and I quote:

As long as we have our present debt and determinations are made as to the reasonableness of any existing or proposed contract, in my opinion at least, good faith would require that private enterprise be given an opportunity to meet objections to the terms of any existing or tentative contract, prior to making a loan for these purposes.

These purposes he mentioned were G. & T. type loans.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield.

Mr. BECKER. I would like to ask the gentleman this question:

I see from the report that this appropriation bill carries approximately \$195 million additional loan money for the REA. Is that correct?

Mr. MICHEL. Yes; that is true.

Mr. BECKER. Is it not a fact that this money will be lent by the REA at a 2-percent interest rate fixed under previous law?

Mr. MICHEL. Yes, by law.

Mr. BECKER. Is it not a fact that the Government must borrow this money on today's market at approximately 3.5 percent or more?

Mr. MICHEL. That is true.

Mr. BECKER. Therefore, the taxpayers throughout the country must

pay this additional interest at all times on all money that is lent to the REA by the Treasury.

Mr. MICHEL. Yes.

Mr. BECKER. This has amounted to millions and millions of dollars over a period of years. I feel that a prospering area can well afford to pay the going rate of interest on this borrowed money. It is my understanding that various co-operatives of the REA have created surpluses which they have invested in Government bonds that pay 3 or 3.5 percent interest; is that correct?

Mr. MICHEL. Mr. Chairman, I might say that last year the distinguished gentleman from New York and I explored this matter with the REA Administrator. At that time, as I recall, there was about a quarter of a billion dollars in reserves that was being re-invested in Government securities, not all of it being, of course, at an interest rate in excess of 2 percent, but a good share of it was.

Then the Treasury Department came back with the issue, and I understand in the hearings this year they say \$10 million has been invested in that special Treasury issue. Nonetheless, I do not think it is morally right for our co-ops to take money from the Government at 2 percent and reinvest it at a greater rate of interest.

Mr. BECKER. I have offered amendments in previous years to correct this situation. I would think the farmers would want to do this. It is a morally sound proposition.

Mr. MICHEL. When the farmers in my district were told what the conditions were and what the situation of the country is, they are quite willing to pay their share. Frankly, I have had no qualms about supporting the gentleman's amendment.

Mr. BECKER. I am going to introduce the same amendment again to try to get a recognition of this problem, so that these people we want to help and have been helping during the years, because today there are others throughout the country who have been paying high rates for electricity and taxes, shall pay the going rate of interest. I think that is morally sound.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, inspired by my subcommittee chairman's thought-provoking words, I was prompted to insert into the record of the hearings a letter which I had just received from a Mr. Walter Bouldin of Alabama. He happens to be the president of Alabama Power Co. I had never met nor heard of Mr. Bouldin prior to receipt of his letter, but he later testified before our subcommittee. His letter and testimony clearly point up the overall problem of REA secrecy and the inability of existing power suppliers to obtain any information from REA or its borrowers on proposed generation and transmission loan applications. I commend its reading to every Member of

the House who is concerned about the success of the REA.

Mr. Chairman, Mr. Bouldin's letter, appearing on pages 493-494 of the hearings, is as follows:

ALABAMA POWER CO.,
Birmingham, Ala., April 21, 1961.

HON. ROBERT H. MICHEL,
Member of Congress,
House of Representatives,
Washington, D.C.

DEAR MR. MICHEL: As a member of the Appropriations Subcommittee on Department of Agriculture and Related Agencies, you will soon be considering appropriations requested by the Rural Electrification Administration. We know that in considering such appropriations you will examine into the policies of such Administration in granting loans for generating and transmission facilities. As the situation in Alabama may be typical of many other such instances in our country, an outline of it may be helpful to you in defining the problems involved.

There is in Alabama one generating and transmission co-op which sells power wholesale to six municipalities, some industries, and to five distribution co-ops in Alabama, three of which also receive such service from our company. Our company serves the entire power requirements of nine other distribution co-ops. Our rates to the distribution co-ops are substantially lower than the rates of this generating co-op to its co-op customers. Our company has a contract with the generating co-op under which we undertake to provide all its power requirements over and above its own generating capacity, and we make such power available at a very low rate which has averaged about 6.5 mills per kilowatt-hour over the past 3 years.

In March 1959, this co-op inquired as to whether we intended to increase our power rate to it upon completion of its steam plant then under construction. In May, representatives of our company visited the co-op but did not determine definitely just what term contract this co-op would desire; and in July we wrote asking the term of contract which it desired us to consider. Its reply to our letter did not give us this information. Without a specific answer to our inquiry, we made a proposal to this co-op in October for a new power contract for a term of 5 years at the same rate then in effect. In the closing paragraph of our October letter, we stated, "We will be glad to hear from you regarding this matter and to meet with you to discuss any problems that may occur to you in connection with this proposal." We wrote a followup letter in April 1960, stating that we would appreciate hearing from it about our proposal. In July 1960, the co-op wrote us advising that our proposal was receiving careful consideration. We have heard nothing further from the co-op.

We understand that this generating co-op has for some time been planning to make application to REA for a loan for additional generating facilities. We have inquired at the REA office in Washington whether such application has been filed and have been informed that it is not the policy of REA to disclose whether or not any such application is pending. As you doubtless know, it has been the policy of REA not to disclose the contents of any such application.

We are convinced that an allocation of public funds to this co-op for generating facilities is completely unjustifiable. Such generating facilities would not make electric service available to a single customer to whom such service is not now available. Such facilities would idle generating facilities which our company has already provided for service to this co-op or take the place of future facilities which our company is ready, able, and willing to provide.

The generating co-op is, of course, exempt from Federal income tax. Allocation of public funds to provide generating facilities for such co-op would deprive the Federal Government of income tax paid by our company on the revenue derived from our generating facilities which the co-op facilities would supplant. To use tax funds to destroy a source of tax revenue seems to us fundamentally wrong in principle and particularly unjustifiable at this time when every means should be sought to protect Federal revenues which are so sorely needed for vital purposes.

Co-op generating facilities in Alabama are not necessary to provide electric service at reasonable rates. Cost of power under our rate to this generating co-op, even with Federal income tax included, is, we believe, lower than the cost to such co-op of providing such power from additions to its own generating facilities. If the income tax component were excluded in a comparison between our rates and their costs, we are certain that our rates would be lower than such costs. As mentioned above, however, we are not permitted to present to the REA a comparison of such costs, as the co-op cost estimates in loan applications are not available to us.

Loan policies of the REA, of course, determine the amount of appropriations which they request. If it is to be the policy of REA to grant loans under such circumstances as are presented here in Alabama, the Federal Government would be subject to vast unnecessary expenditures and a serious erosion of its revenue, which you, as well as we, desire to avoid.

Sincerely,

WALTER BOULDIN.

This letter raised in my mind the question of what other areas throughout the country, including my home State of Illinois, are having similar problems. Therefore, I requested of the REA a list of G. & T. loan applications pending or under study similar to the list appearing on page 50 in the Senate Second Urgent Deficiency Appropriation Hearings of 1957. Furthermore, I thought it would be of interest to have these data in the RECORD so that all Members of Congress might be aware of what is being planned in their areas. However, I was unable to get this information put into the record of the hearings, even though the REA is financed by the taxpayers' money.

I feel it appropriate at this point to call attention to the Moss Special Subcommittee which has been engaged for the past several years in an intensive investigation into the "Availability of Information From Federal Departments and Agencies." The subcommittee issued a report on July 2, 1960—House Report 2084, 86th Congress, 2d session—stating in part that: "Secrecy—the first refuge of incompetence—must be at a bare minimum in a democratic society, for a fully informed public is the basis of self government. * * * Moreover, it will be recalled that President Kennedy made an issue in the presidential campaign on the matter of the flow of Government information and stated emphatically:

An informed citizenry is the basis of representative government. Democracy—as we know it—cannot exist unless the American people are equipped with the information which is necessary if they are to make the informed political choices on which the

proper functioning of democracy depends. An informed people—able to examine and, when necessary, to criticize, its government—is the only guarantee of responsible democracy. And the President—who himself bears much of the responsibility for the preservation of American democracy—has the affirmative duty to see that the American people are kept fully informed. It is true that in today's world of peril some Government information must be kept secret—information whose publication would endanger the security of the United States. But within the rather narrow limits of national security the people of the United States are entitled to the fullest possible information about their Government—and the President must see that they receive it.

The policy of secrecy is of special significance in connection with loans for generating and transmission facilities because of the standards REA is required to apply in making such loans. According to the agency's regulations—Administrative Bulletin No. 61—G. & T. loans will only be made either first, when no adequate and dependable source of power is available, or second, where the rates offered by existing power sources would result in a higher cost of power to the borrowers than would be the cost of power from facilities financed by REA. Unless alternative power suppliers—whether they be municipalities, public utility districts or private companies—have an opportunity to negotiate or make additional offers it cannot be assumed that the proposed loan is necessary.

Now this brings up another point which bothers me concerning the obvious intent of the REA to indulge in what might be called back-door law-making in its announcement of a new criterion to be added to the existing generation and transmission loan policy. In the hearings the administrator stated that the REA was in the process of expanding its established criteria to guarantee the cooperative device a permanent place in the American power industry.

I previously mentioned the two criteria under which the legislative history of the 1936 act permitted the REA to make generating and transmission loans. There is nothing in the 1936 act or in congressional legislative history on REA legislation or in reports in Congress or floor debate that could be interpreted in any sense of the word to make generating and transmission loans to guarantee the cooperative device a permanent place in the American power industry. Should a major policy change like this be made, it should be done by the appropriate legislative committees of Congress, and not by agency action.

Mr. Chairman, I feel that it is important for our colleagues to realize that the institution of this so-called third criteria—when considered in connection with the subsidy to the REA through the use of 2 percent money and freedom from Federal taxation—might possibly have the effect of not merely securing "a permanent place in the American power industry," but of taking it over completely.

I think it is perhaps appropriate again to repeat the very sage advice given by

our esteemed subcommittee chairman during the recent hearings when he said:

I think that authority to make loans for power generation is very, very important. I would take issue with anybody who wished to repeal it. I do think that it is important, however, not to put the private companies out of business, but to see that they give reasonable contracts in time and in cost to their co-op customers.

He went on to say further—

I subscribe to the fact that, since the Government has to have taxes anyway you take it, the Government can't provide sound REA loans except from taxes. Those taxes are obtained from private enterprise, not from Government enterprise, or from the sale of bonds, which in turn must be predicated on tax income.

The able gentleman from Mississippi then concluded by saying:

So I think anybody who studies it realizes that the REA—as sound and solid as it is—should not be used for the purposes of putting the private companies out of business.

Mr. Chairman, in fairness to the taxpayers of the country who must put up the money for this program, as well as in fairness to the REA, for this is creating a bad public relations picture of the REA, I bring these facts to the attention of the Congress.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. HOEVEN].

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I want to take this opportunity also to compliment the Subcommittee on Agricultural Appropriations for reporting what I consider to be a very good bill.

My purpose in taking the floor at this time is to give the Members of the Congress an insight into some of the glaring defects of the so-called omnibus farm bill now pending before the House Committee on Agriculture.

I want to compliment particularly my colleague from Minnesota [Mr. ANDERSEN] for disclosing some of the glaring defects in this legislation. Too little has been said about this bill which is of great importance not only to the farmers of this country but to the entire American economy.

Title I of H.R. 6400, is the most fantastic power grab ever devised by any administration in the history of our country. The Secretary of Agriculture would virtually become a one-man national legislature for agriculture. Under our concept of separation of powers as set forth in the Constitution of the United States, the Congress writes the laws and the executive branch of the Government, through the President, approves or vetoes the legislation. Under the provisions of title I of H.R. 6400, the executive branch of the Government through the Secretary of Agriculture is authorized to write the law and the Congress, or legislative branch of the Government, is given the authority to approve or veto. Such procedure is a complete reversal of what the Founding Fathers of this country intended.

Proponents of the legislation contend that the Secretary of Agriculture could

only present a farm program after consultation with commodity advisory committees. They say this would give farmers an effective voice—the formulation of farm programs. The truth is that the Secretary of Agriculture would select the members of the advisory committees, he could set their term of office, set the number of members, and could limit the committee's functions and even dissolve them. Furthermore, the Secretary will not be required to follow the recommendations of an advisory committee. Farmers should not be deluded into thinking they would have an effective voice in the formulation of farm programs. They would merely be rubber-stamp advisers to the Secretary. The Secretary of Agriculture himself would actually write the bill. Even the referendum process provided for in title I is rigged because the Secretary can determine who will vote and who will not vote in the referendum. These tremendous grants of power would raise grave constitutional questions.

May I also point out that once a farm program is submitted to the Congress by the Secretary of Agriculture, the bill provides that it must be affirmatively rejected by the Congress within a period of 60 days after its submission. If the program is not affirmatively disapproved within the 60-day period, the program becomes law subject to a referendum. There is no provision in the bill which provides for committee hearings. The Congress would have to act on the proposal on a "take-it-or-leave-it" basis without any opportunity to even amend or revise the proposal. I cannot conceive of the Congress thus delegating its legislative rights and prerogatives to the Secretary of Agriculture. The Congress would completely abdicate all of its legislative authority to the executive branch of the Government, which in my opinion would be unconstitutional.

There is no limit on the amount of money which can be spent on any one or all of the possible 256 farm programs. With a great number of commodity groups acting independently, the administrative bottlenecks and Government costs would skyrocket. It is estimated that title I alone could well cost from \$12 to \$15 billion a year.

Farmers would lose under this bill. If they accepted the proposed programs they would be subjected to the strictest controls in history. If they turned them down, which they would not likely do, their price support would be reduced to not more than 50 percent of parity. Hence, every farmer would almost be forced to approve any program in a referendum as a matter of self-preservation.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WHITTEN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HOEVEN. I thank the gentlemen for yielding me additional time.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Can the gentleman from Iowa inform me as to any probability that this House or this Congress would admit that it cannot legislate on agricultural matters?

Mr. HOEVEN. I cannot conceive of the Congress of the United States abdicating its rights and prerogatives in the field of legislation; a complete reversal of our legislative process.

Probably the most fantastic single aspect of this whole bill is in regard to the Secretary's request for a "blank check" for a 1962 wheat program. H.R. 6400 allows the Secretary to hand pick a wheat advisory committee for the 1962 wheat program without going through the regular selection process outlined for other crops. After he had picked this advisory committee, the Secretary would submit his new wheat plan directly to eligible wheat farmers for a referendum. The new plan would not be subject to any review, study, or amendment by Congress whatsoever. Many of us from the Corn Belt feel certain that the 1962 wheat program proposed would be the multiple-price plan endorsed by President Kennedy in last fall's campaign. This type of legislation has been resisted by the Corn Belt for many years because of its adverse effect on the feed-grain picture. I do not propose to sit idly by and let a program such as this go into effect by default as Secretary Freeman has proposed. The outcome would be quite certain under this provision because the bill sets the choice that wheat farmers would have as either the new plan or virtually nothing—that is, not more than 50 percent of parity to those wheat farmers who stay within their present allotments and no price support at all to those who fail to comply with these allotments. Needless to say, this "blank check" grant of legislative power to the Secretary raises the most serious constitutional questions as well as being a dire economic threat to the Corn Belt.

I should point out, however, that title I of H.R. 6400 is in real legislative trouble at the present time. Similar legislation last year had the same trouble. The so-called Family Farm Income Act of 1960, or Poage bill, could not even get out of committee until 251 commodities were exempted from the provisions of the bill. That bill was overwhelmingly defeated by the House in June 1960, by a vote of 236-170. Title I of H.R. 6400 which is this year's model of that same legislation is now facing the same fate.

Members of Congress from both sides of the aisle have in recent weeks been increasingly vocal in opposition to H.R. 6400. Several of my Democratic colleagues on the House Committee on Agriculture apparently cannot swallow title I in its present form.

Playing underneath the current of controversy on this bill is the avowed intention of the architects of H.R. 6400 to control American agriculture in a manner similar to that of a public utility. Farmers are now facing one of the most important decisions ever faced by

American agriculture. I sincerely hope that the Congress will not abdicate its constitutional responsibilities in favor of such an unworkable plan. I urge all Members of Congress, farmers, and all citizens to study title I of H.R. 6400 carefully with the full confidence that if this is done the most effective opponent of the administration farm bill will be the administration farm bill itself.

Mr. BREEDING. Mr. Chairman, I would like to comment briefly on the general farm bill. Inasmuch as some of my colleagues are critical of this legislation, I would like to have included in the RECORD the remarks of Mr. Herschel Newsom, Director of the National Grange, contained in the June 1 issue of the National Grange Letter. I consider Mr. Newsom to be one of the greatest authorities of our country on farm matters, and I believe the statements made by him on the farm bill will be helpful to all Members.

This is the kind of a Grange Letter we don't like to write—that we had hoped it would never be necessary to write.

Through its nearly 100 years of distinguished service to rural America, the Grange has earnestly striven for cooperation and the maximum possible unity in agriculture. We shall continue those efforts.

The Grange, however, never has, and does not now, compromise basic principles, or sacrifice the interests of agriculture, for the sake of unity. Nor can we continue to leave unrefuted the falsehoods and distortions by those who place their own interests above those of farmers and the Nation.

The Grange has never hesitated to consider, discuss, and debate the issues affecting American agriculture. The Grange since 1867 has defended agriculture against those who would exploit farmers. The efforts of the Grange are closely interrelated with the progress of family farmers and sound programs over the past 94 years.

When forces from within agriculture form an alliance with interests foreign to those of farmers, agricultural unity becomes less important than preservation of the basic principles of equity for American agriculture.

We believe that, in the long run, farmers will, given the facts, reject those who would mislead them, that they will make decisions which support their legitimate interests. They always have.

American agriculture is today reaping the harvest of suspicion and distrust sown in past years by those who sought, first, to discredit present programs, and then substitute their own ideas of an agriculture defenseless against those who would exploit it and force on it their ideologies.

Those efforts are more insidious by reason of the fact that some of those make them do so in the name of American farmers.

"We believe," Grange Master Herschel D. Newsom said, "that Grange responsibility does not end with a fair presentation of the facts, but that it includes the exposure of false and misleading propaganda."

Where the interests of American agriculture are involved, any other course, he said, would be a disservice to farmers and the Nation.

It is not possible within the space limitations of this letter to expose and refute all of the false propaganda being used to block enactment of progressive agricultural legislation. Some of the baseless charges being made in regard to the Agricultural Act of 1961, now before the Congress, must be refuted if sound decisions, based on facts are to be made.

Congress has wisely given both those who support and those who oppose the principles and objectives of that bill the full opportunity to be heard. That opportunity still is open to every farmer who wants to write to or talk with his Congressman.

The use of unsupported and unfounded, but inflammatory generalities, in a frantic effort to defeat improvements in farm programs is regrettable. Two paragraphs in the June issue of the Nation's Agriculture (Farm Bureau official organ) indicate the extent to which opponents of the farm bill will go into the realm of fantasy.

The statements attributed to Charles Shuman, AFBF President, are:

"Purpose of the administration omnibus farm bill is to have the Nation's food produced by docile, licensed, and properly managed farmers who would look to the political machine rather than consumer markets for determination of family income.

"Would any farmer dare risk displeasure of the multitude of Government agents and committees required to measure all crop acres and county every cow, sow, ewe, and hen in the Nation?"

A more flagrant distortion of facts would be difficult to imagine.

Any sane and objective study of the bill refutes such wild generalizations. Some of the allegations, however, are more specific, although equally unfounded. Let's look at some of those, and then at the facts.

"The omnibus bill," it is charged by some, "would force Congress to abdicate its power to enact farm legislation."

The truth is: Congress would retain intact its responsibility to hold hearings, to approve, reject or amend any farm program proposals made by the Secretary of Agriculture and representative committees of producers.

"The bill would make the Secretary a virtual dictator over agriculture."

The truth is: It would diminish the power of the Secretary by requiring, first, congressional approval of changes in price supports, allotments, and other program changes, and secondly, a two-thirds vote would be needed before a change in programs could be made.

"The bill would force rigid controls on all producers."

The truth is: Producers of any commodity which does not have price supports or controls can remain free of controls. Any change would have to be initiated by producers, and later approved by two-thirds of them.

"The bill would add billions of dollars to the cost of farm programs."

The truth is: It would cut governmental costs for programs designed to raise farm income in direct proportion of the ability of producers to design sensible marketing agreements and tools.

"The bill would regiment farmers."

The truth is: It would encourage self-help, self-financed plans to stabilize agricultural markets. It would clear the way for fewer, not more, Government controls.

Those are only a few of the obvious distortions being made in a frantic effort to defeat enactment of reasonable and sensible farm programs. No one contends the present bill is perfect. Changes to improve it should and will be made by the agriculture committee or on the floor by Congress.

It is the responsibility of reasonable farm leaders to work for improvements, rather than seek total defeat because of imperfections. There is too much at stake to permit any other approach.

The legislative timetable for consideration of the omnibus farm bill still is indefinite. Hearings have been completed, except return appearance by Secretary Freeman before the Senate Agriculture Committee to answer charges made by opponents of the bill.

The House Agriculture Committee expects to meet next Monday in executive session to begin revisions. The rewriting is expected to take at least a week, possibly two. The Senate Agriculture Committee plans to start making revisions in a week or so.

It appears now that floor debate will begin sometime late in June. Odds are that a modified bill will be passed—but without destroying the objectives of maximum freedom of choice by producers to initiate self-help farm programs, commodity by commodity.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN of Michigan asked and was given permission to speak out of order, and to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Chairman, the members of the committee have convinced some of us that the farmers are in dire need and that they are following a pursuit, that is, farming, which apparently is unprofitable. And, I reach that conclusion because this bill is to aid the farmers, and it carries something like \$5.9 billion. Certainly a group as intelligent and conservative as are the Members of the House never would advise appropriating that much money unless it was sorely needed. Farming must be a hazardous business and farmers near starvation if it takes \$5.9 billion to keep them alive.

There was another matter that I thought should be called to the attention of the House. This morning the Members of Congress who come from Michigan all received a letter. It is important, because it has some bearing upon the Federal aid to education legislation which will come before us in the next 2 or 3 weeks. This letter is from the Women's International League for Peace and Freedom, 5461 Brush Street, Detroit. It is as follows:

WOMEN'S INTERNATIONAL LEAGUE
FOR PEACE AND FREEDOM,
Detroit, Mich.

To Michigan Representatives THADDEUS M. MACHROWICZ, GEORGE MEADER, AUGUST E. JOHANSEN, CLARE E. HOFFMAN, GERALD R. FORD, JR., CHARLES E. CHAMBERLAIN, JAMES G. O'HARA, JAMES HARVEY, ROBERT P. GRIFFIN, ELFORD A. CEDERBERG, VICTOR A. KNOX, JOHN B. BENNETT, CHARLES C. DIGGS, JR., LOUIS C. RABAUT, JOHN D. DINGELL, JOHN LESINSKI, MARTHA W. GRIFFITHS, WILLIAM S. BROOMFIELD:

The Women's International League for Peace and Freedom at its annual meeting in Rochester, Mich., on May 27, 1961, has passed the following resolution:

The Women's International League for Peace and Freedom of Michigan will continue in its efforts to abolish the House Committee on Un-American Activities because:

1. In the case of *United States v. Watkins* the U.S. Supreme Court made it clear that the HUAC misused its powers in unconstitutional ways and had become an agency for repression.

2. The mandate given the HUAC is contrary to democratic traditions. The Supreme Court has upheld the Congress' legality in creating the committee, but the Congress is not bound to continue it.

3. The committee acts with powers and under immunities that even police and public prosecutors do not have.

4. Huge appropriations given to the HUAC are wasted because its occasional legiti-

mate functions belong more properly and effectively to other, older standing committees. The committee encroaches upon the jurisdiction of other governmental agencies including police, justice departments, and the courts without producing the results of these agencies. The HUAC investigations have resulted in no important convictions in the years of its existence nor in the proposals for any legislation.

5. It has used legislative investigation to disgrace, harass, and abridge the freedom of Americans, many of whom have been working for racial equality and justice. Secret witnesses and sources, defamation, denying due process of law have been the committee's methods of "investigation." Its use of deliberately distorted film in the guise of combating communism is reprehensible.

6. The committee is as dangerous to our country as what it investigates. The news of its activities when it reaches other countries discredits our democratic ideals at this time when we need to reassert our confidence in democracy.

Sincerely,
NANCY FOWLER (Mrs. Don E.),
State Legislative Committee,
Michigan Branch.

The purpose is to abolish the Committee on Un-American Activities. Permit me to quote again a part of No. 6.

The committee is as dangerous to our country as what it investigates.

They are referring to the Committee on Un-American Activities. We have a Michigan man on that committee, Mr. JOHANSEN, from the Third District. It is the committee of which Mr. WALTER, our very patriotic, able, and distinguished colleague is chairman. This organization insists that that committee should be abolished because it is doing more harm than the Communists.

Thinking that over, you recall that we are to have Federal aid to education. It occurred to me that inasmuch as this letter makes that statement, and inasmuch as all but six of the Members of the House, 431 of the 437, voted to sustain the committee, and we voted every dollar the committee wanted for its work in order to enable it to operate, does it not follow, and I come to the conclusion the ladies reach is that Members of the House are either ignorant or disloyal because if the committee on Un-American Activities is doing that kind of job, doing more to ruin our country, our form of Government, and destroy it, than the Communists, there must be something wrong with our thinking.

Then thinking along down the line I began to wonder whether the committee that sponsored this letter knew what they were writing about, because did we not a month or two ago, all but six of us, as I said, vote to sustain that committee? Are they not a little late? Are they up to date with what they are trying to do? I would not criticize them because they do not apparently know that the Supreme Court Monday sustained the anti-Communist legislation that has been before the court so long.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. They did not ask for abolishment of the Supreme Court, did they?

Mr. HOFFMAN of Michigan. Not this organization, no. They praised the Chief Justice and some of his colleagues. But my mail is overwhelmingly in favor of impeaching Justice Warren. This committee is on the other side of that question. They think more of the commies than of us. Democrats from Detroit please note—this committee which wrote you is one of your chicks or chickens. The gentleman from Iowa, I am sure, is not intimating that the Supreme Court should be educated? He did not have that in mind?

Mr. GROSS. No.

Mr. HOFFMAN of Michigan. At once as is usual I answered. I wrote:

JUNE 6, 1961.

Mrs. C. E. WOODRUFF,
State Legislative Chairman and Chairman of
Resolutions, Women's International
League for Peace and Freedom, Detroit,
Mich.

DEAR MRS. WOODRUFF: Thanks for your recent form letter, enclosing a copy of the resolution adopted by the Women's International League for Peace and Freedom, calling for the abolition of the House Committee on Un-American Activities, and citing your reasons.

In the sixth reason, you state, "the committee is as dangerous to our country as what it investigates."

In my opinion—and I have had 26 years' experience here—you couldn't show greater ignorance of what the committee has done than by that statement. Since the committee was first created, it has received overwhelming support in the House, which leads me to the conclusion that you either do not know what you are writing about, or, you have reached the conclusion that House Members (and I think the last time, there were only 6 out of 437 who opposed the committee) lack either good judgment or patriotism.

The thought occurs to me that perhaps your members should do a little research, a little sound, patriotic thinking. I assume your motives are patriotic, and am extremely sorry you have reached such erroneous conclusions.

Sincerely yours,

And here is a pertinent editorial from next Saturday's Evening Post:

RED ADVANCES SPARK A MODEST CONSERVATIVE REVIVAL

Despite all the hoop-la, including pickets, full-page advertisements in newspapers, student riots in colleges and solemn declamations by some of our more naive professors, the backers of "Operation Abolition," designed to end the House Committee on Un-American Activities, managed to corral only six votes. Even Representative JIMMY ROOSEVELT, of California, who started out as the sponsor of the abolition movement, finally settled for an effort to curtail the committee's appropriation. That didn't get anywhere either.

Those who expected some other result have overlooked symptoms at the grassroots, which Members of Congress, perhaps even including JIMMY ROOSEVELT, have been quick to detect—a quiet but unmistakable impatience with politicians and others who, for whatever reason appeals to them, object to investigations of the Communist conspiracy. For one thing, there has been a shift in college and university opinion. Young conservatives are no longer sneered at—anyway not so often.

On the literary front, Allen Drury's novel, "Advise and Consent" (Doubleday), which suggests that liberal statesmen can play some pretty dirty pool, is doing a land-office

business; and in New York the play based on Mr. Drury's book has been a sellout. Rumors that the play might be toned down because liberals didn't like it were emphatically blown down by Mr. Drury. John Dos Passos's exciting novel "Midcentury" (Houghton, Mifflin), in which the tyranny of some labor unions over their own members is dramatically portrayed, is another best seller. A few years back, books like these would have been hard to come by in many bookstores if you didn't know the manager.

In several universities conservative student magazines have appeared. An impressive representative of this new group is "Analysis," published by students at the University of Pennsylvania. The writers in the first issue of "Analysis" are not all students. Prof. A. H. Hobbs of the sociology department is a contributor. The students, however, dissect their ideas with freshness and frankness and without invective like that credited to a member of Students for Democratic Action who declared that student conservatives displayed "the social conscience of a Hitler, a Stalin or a BARRY GOLDWATER."

In JIMMY ROOSEVELT's own State an interesting movement recently got into orbit, launched at the outset by Walter A. Wolford, city clerk of San Gabriel. Mr. Wolford first persuaded his city council to adopt a resolution citing the peril of Communist infiltration and urging "rededication of all loyal Americans to the principles and ideals of our Founding Fathers." He then formed a committee which put on a mass meeting, the main feature of which was the showing of "Operation Abolition," the documentary moving picture of last year's riots against the Un-American Activities Committee in San Francisco. The place was packed. Since then a score of California communities have taken similar action.

Mr. Wolford insists that his idea is not to promote "witch hunting" or merely to make people angry. The program he advocated includes education, with special emphasis on seeing to it that public libraries and school libraries have reliable books on the history, ideology and purposes of communism. Whatever comes of this particular effort, it represents a straw in the wind which Members of Congress undoubtedly felt blowing strongly when they voted on the resolution to put an end to the House Un-American Activities Committee.

Of course, the battle isn't over. Queer characters still appear on college campuses sponsored by "liberal" groups. Nevertheless, as the response to City Clerk Wolford's crusade suggests, America seems to be catching on.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BRUCE].

Mr. BRUCE. Mr. Chairman, a few minutes ago the gentleman from Illinois, a member of the Agriculture Subcommittee, referred to the addition of a third criterion to be used by REA in considering a generating and transmission loan as "back-door lawmaking." The REA, by unilateral administrative action, has proposed to use its authority to grant such loans "to guarantee the cooperative device a permanent place in the American power industry." I believe he expressed the opinion that if REA wants to change the basic authority of its act, it should come to Congress and go through the proper procedures as do other agencies of Government. I would like to add a lusty "Amen" to the gentleman's statement. If Congress sits complacently by and allows bureaucrats to pervert the body of existing law

to suit their own questionable ends, then we might as well close up shop and go home.

I have before me now a speech made by the REA Administrator on June 5 before the New Mexico Rural Electric Cooperative Association at Albuquerque. The speech says the so-called third criterion has already been put in force.

This criterion is an attempt to take out all stops in making loans for generation and transmission facilities. This in spite of the fact that there is nothing in the legislative history of the 1936 REA Act or in subsequent reports of Congress or floor debate that could be interpreted in any sense of the word to permit REA to stretch generating and transmission criteria "to guarantee the cooperative device a permanent place in the American power industry." As a matter of fact, REA was made permanent by Congress in 1944, and it had nothing to do with G. & T. loans.

It should be recalled that during the Senate debate on the 1936 act there was much controversy raised on the Senate floor as to the advisability of giving REA any right whatsoever to construct generating plants. Senator George Norris, generally considered one of the fathers of REA, clarified the discussion by placing in the Record a memorandum from Morris Cooke, then Administrator of the temporary REA agency, as to the conditions under which such loans could be made. The Cooke memorandum set forth the basic criteria which were to be followed in making a generating loan. They were: First, energy was not available from any existing source, second, a plant could produce energy at lower costs than it could be obtained from any other source, and third, the output would be used mainly for supplying rural areas.

It did not take REA very long to use "back-door lawmaking," changing generation and transmission criteria to permit loans to be made when in REA's opinion no adequate, dependable source of supply was available to meet the borrower's needs, or where the rate offered by existing power sources would result in higher cost of power to borrowers than the cost of facilities financed by REA. Note the broadness of the change. Eliminated from it was the primary condition of the first criterion that power was not available from any other source. Also note the elimination of the words "and the output would be used mainly for supplying rural areas." It was revised so the generation and transmission criteria would take on a competitive rate element rather than a means of getting power out into unelectrified areas. However, this first administrative change at least stuck somewhat to the original legislative intent of the act as it was limited to cost and supply of wholesale power.

But to guarantee the cooperative device a permanent place in the American power industry has nothing whatsoever to do with the specific problems of rates or service, even though the Administrator has tried to stretch it by claiming they need it to assure fair power contracts. The words of the third criterion are so broad and nebulous an REA Ad-

ministrator could approve virtually any G. & T. loan under any conditions irrespective of the actual need and certainly irrespective of the availability or the price of power from an alternative source.

In addition, the Administrator in this very same speech states they are going to broaden the use of section 5 loans. This type loan was made available to REA borrowers in the 1936 act to finance the wiring of the premises of people in rural areas and to acquire and install electrical and plumbing appliances and equipment. Now, through back-door lawmaking or the back-door legislating, whichever you care to call it, the REA is trying to expand this section of the act so co-ops can use section 5 loans to finance the purchase and installation of electric-powered machines and equipment in factories and commercial establishments in their service areas.

In other words, REA is now getting completely away from the original purpose of the act and is becoming what might be termed a rural power company. And these rural power companies will use 2-percent money and the other subsidies we are giving them to lure industry right out of your towns and cities into rural areas.

Congress enacted the area development bill last month because it apparently believed it would help depressed areas. But, now we find the Agriculture Department, by administrative fiat, has set up through its rural development program a community facilities program where the Department will lend money in any rural area to develop industry and to take business, irrespective of whether the area is depressed or not.

As the gentleman from Illinois stated, this is all being done through back-door lawmaking. It is not being done through Congress. REA is an outstanding example of how a government agency makes its own "back door" law through the issuance of policy statements. If it desires to stretch its authority just a bit to accomplish an objective not covered by its basic act, it issues a statement or a legal opinion to carry out its plan and then at some convenient time tells a congressional committee of its action. Unless REA is specifically overruled by Congress then it goes forward with this new policy as though it were the law of the land. If at a later date there are objections, REA contends that it has notified a committee of Congress and Congress' failure to take action authorizes this activity. This holds true even though a vast majority of our Members may never have known of REA's action until some complaint occurs long after the policy has been put into effect. Criticism of this back-door legislative tactic acknowledges the fact that Congress cannot write legislation that does not require some interpretation by the administering agency, but REA presents a case in point where this type of activity is a rule rather than the exception.

I want to repeat there is nothing in any act of Congress that would permit REA to expand its duties as it has done in the case of the expanding of G. & T. and section 5 loan criteria. These are

not the only cases in which REA has followed this tactic, just the current ones. If REA desires to do these things; if they want to build generating plants just for the sake of building generating plants; if they want to build industries out in the rural areas just for the sake of building industries, then they should come here and get the permission of Congress and not try to do it through the back door.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield the remainder of my time to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks).

Mr. GROSS. Mr. Chairman, I listened intently to the gentleman from New York [Mr. SANTANGELO] when he spoke earlier this afternoon, and to others from the metropolitan areas who have said they support this bill and who support farm legislation generally. I am not questioning their sincerity for 1 moment; I can understand why they do, and that is because under the farm programs that we have today the food basket is being heavily subsidized to consumers in the cities. Without this farm program the price of food would eventually be considerably higher to the consumers in the metropolitan areas. So, while I do not for 1 moment question the sincerity of their statements, they have a real interest in this farm legislation on behalf of their consumers.

Mr. BOW. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Seventy-one Members are present, not a quorum. The Clerk will call the roll.

Mr. HOFFMAN of Michigan. Mr. Chairman, is a parliamentary inquiry in order?

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. May a Member of the minority be recognized for a motion to adjourn?

The CHAIRMAN. Not at this stage of the proceedings. The Chair has directed that the roll be called.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Adair	Fogarty	O'Brien, N.Y.
Beermann	Ford, Jr.	O'Konski
Bennett, Mich.	Grant	O'Neill
Blitch	Gray	Passman
Boggs	Green, Pa.	Pilcher
Boland	Halleck	Pirnie
Brooks, La.	Hardy	Rains
Buckley	Harrison, Va.	Roberts
Celler	Hébert	St. Germain
Conte	Henderson	Saund
Cramer	Herlong	Sheppard
Daniels	Hosmer	Sikes
Davis, Tenn.	Kearns	Smith, Miss.
Derwinski	Kilburn	Spence
Diggs	Kirwan	Springer
Dominick	Kluczynski	Thomas
Downing	Knox	Utt
Evins	Machrowicz	Walter
Fallon	Mason	Williams
Farbstein	Miller	Willis
Fascell	George P.	
Fino	Morrison	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee

of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, and finding itself without a quorum, he had directed the roll to be called, when 371 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman has 4 minutes remaining.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Did the gentleman ask for this quorum call?

Mr. GROSS. No, no, not this one.

Mr. Chairman, when the quorum call was made, I was at the point of asking the chairman of the subcommittee a question or two concerning the bill. Do I understand there are two airplanes in this bill for the Secretary of Agriculture?

Mr. WHITTEN. The Department of Agriculture has these planes that are used in spraying for the control of the various insects, and that is by far the most economical way to deal with these pests. But insofar as any personal use of these planes is involved, there is none.

Mr. GROSS. Neither of these planes is for the personal use of the Secretary?

Mr. WHITTEN. No, the gentleman is correct.

Mr. GROSS. These are strictly planes to be used in spraying?

Mr. WHITTEN. That is right. If the gentleman will permit me to make an announcement at this time for the benefit of our colleagues, I want the Members to know that general debate is about to conclude and we will start reading the bill when the gentleman from Iowa has concluded. I expect to take 1 minute on this side. I thank the gentleman from Iowa for yielding to me to make that statement.

Mr. GROSS. I thank the gentleman. May I ask the gentleman from Mississippi if there is any representation allowance in this bill other than the \$30,000 appropriation to be found on page 16 of the bill?

Mr. WHITTEN. That allowance is for the agricultural attachés who, as the gentleman knows, are our representatives in various foreign countries and who are a part of our embassies. They have their obligations along with our other representatives. The total amount here is only \$30,000.

Mr. GROSS. That is quite some contrast to the allowance of \$925,000 for the State Department. I suppose we

treat Agriculture differently than the State Department in this respect.

I will say to the gentleman, Mr. Chairman, that I am not going to offer an amendment to strike out the \$30,000, for the reason that I offered an amendment to the State Department appropriation bill to strike out some \$400,000 for liquor and entertainment and got nowhere on that; so I do not believe I would get very much support on the \$30,000.

I believe the report indicates that there was a 5 million increase in foreigners coming into this country last year. Is that correct?

Mr. WHITTEN. Those are the figures that were provided to us.

Mr. GROSS. And the House passed a bill not long ago authorizing the appropriation of a substantial sum of money to promote foreign tourists coming to this country. Is not that correct?

Mr. WHITTEN. That is my recollection.

Mr. GROSS. Now we find it necessary to appropriate additional money in this bill to take care of any diseases that may be imported by these foreigners. Is that correct?

Mr. WHITTEN. That is one way of expressing it. The money is for additional inspectors to inspect baggage and other things that may be brought in by visitors, to this country or our citizens returning from abroad.

Mr. GROSS. If the tourist promotion bill is successful it will mean still greater appropriations for inspections will it not?

Mr. WHITTEN. We certainly will, because just one disease might cost us millions of dollars.

Mr. GROSS. It is a good deal like the farm program where money is spent to take land out of production while spending with the other out of Federal funds to increase production. Then there is the added cost of taking care of the surplus. So we are going around Robin Hood's barn.

Will the gentleman agree with me that that is the situation?

Mr. WHITTEN. Certainly we are in some sort of vicious cycle.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WHITTEN. Mr. Chairman, I yield myself 2 minutes.

Mr. MONTROYA. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New Mexico.

Mr. MONTROYA. I would like to ask the gentleman from Mississippi, the distinguished chairman of this subcommittee, a question. I note in title 1 under subparagraph head entitled "Special Funds," page 4 of the printed bill, there is provided \$1 million for a special contingencies fund for research. Also the committee report on page 8 contains an outline of possible purposes for which this fund may be used. In the West for years we have been faced with progressive infestation of our streams and water by what is known as phreatophytes. Some means for the eradication of this menace is sorely needed.

Mr. Chairman, I would like to pose this question to the subcommittee chairman: Is it the gentleman's understanding that any part of this appropriation item may be used for this type of research by the Secretary of Agriculture?

Mr. WHITTEN. May I say to the gentleman from New Mexico, I think he is looking at a special fund which is for a different purpose. However, included in the bill is an extra \$1 million for a contingency fund which was set up for the purpose of meeting the type of situation the gentleman describes. Personally, I am not familiar with the gentleman's problem; but it is that type of thing that we have tried to make provision for. The way it is in this bill, it is a matter within their discretion based upon the circumstances.

Mr. MONTOYA. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, including administration of payments to State agricultural experiment stations, \$76,558,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That the Secretary of Agriculture may sell the Entomology Research Laboratory at Orlando, Florida, in such manner and upon such terms and conditions as he deems advantageous and the proceeds of such sale shall remain available until expended for the establishment of an entomology research laboratory: *Provided further*, That in the establishment of such laboratory the Secretary may acquire land therefor by donation or exchange;

Mr. FISHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISHER, Texas: Page 3, line 20, change the semicolon to a colon and add the following: "*Provided further*, That the Secretary may acquire approximately thirty-five acres of land at Kerrville, Texas, by donation, for research purposes;"

Mr. FISHER. Mr. Chairman, this amendment simply authorizes the donation of 35 acres of land to the Department of Agriculture for use by the Entomology Research Station located at Kerrville, Tex.

Mr. ANDERSEN of Minnesota. Mr. Chairman, we have no objection to the amendment.

Mr. WHITTEN. Mr. Chairman, we have no objection on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

The Clerk read as follows:

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590(o), 590p(a), and 590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State,

interstate, and international fairs within the United States, \$238,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1961, carried out during the period July 1, 1960, to December 31, 1961, inclusive: *Provided*, That not to exceed \$29,100,000 of the total sum provided under this head shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,750,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amounts shall be available for administrative expenses in connection with the formulation and administration of the 1962 program of soil-building and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, and no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That no change shall be made in such 1962 program which will have the effect in any county of restricting eligibility requirements or cost-sharing on practices included in either the 1958 or the 1959 programs, unless such change shall have been recommended by the county committee and approved by the State committee: *Provided further*, That not to exceed 5 per centum of the allocation for the 1962 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1962 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activi-

ties", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REUSS: On page 19, line 24, after the word "to" strike out "\$250,000,000" and insert "\$150,000,000".

(Mr. REUSS asked and was given permission to revise and extend his remarks.)

Mr. REUSS. Mr. Chairman, my amendment would reduce the \$250 million for the agriculture conservation program in the appropriation bill to the \$150 million requested by the Kennedy administration. As reduced, it would still be \$50 million more than the \$100 million requested in President Eisenhower's budget of January 16, 1961.

I am proud of the achievements of the ACP insofar as genuine soil conservation is concerned—stripcropping, terracing, contour plowing, tree planting, and the like. But increasingly a large part of ACP has been devoted to subsidizing practices which have little to do with permanently conserving our soil, but are primarily aimed at getting more production per acre.

The Kennedy administration's \$150 million budget request is ample for the legitimate conservation activities of ACP. Keeping the budget request at this level, and rejecting the extra \$100 million which the Committee on Appropriations has tacked onto it, will enable the ACP to do its intended job, and cut out the waste.

My amendment will force the ACP to curtail two of its present programs which are related primarily to expanded production, rather than to real soil conservation.

The first such wasteful program involves governmental subsidies of \$70 million or more a year for fertilizer, largely lime, and rock phosphate. Much of this is applied on flat land, where there is no erosion, and simply results in larger crops per acre. The taxpayer then has to pay for the price-support program on these overproduced crops, costing billions of dollars every year. He then pays a third time in higher food prices.

The fertilizer manufacturers, of course, are all in favor of this multi-million-dollar subsidy. In fact, the main witness who testified for adding another \$100 million to the Kennedy administration's \$150 million budget request was Robert M. Koch, who is president of the National Limestone Institute—Hearings, part 3, pages 21-23.

The second such wasteful program is the subsidized program of draining farm wetlands, which has cost the taxpayers \$16 or more millions every year.

Like the fertilizer program, it results in more crops per acre, higher price supports, and higher food prices.

But the farm drainage program has caused harm over and beyond the waste of taxpayers' money. As a result of the Government-subsidized drainage of valuable wetlands, particularly in the "prairie pothole" region of Minnesota and North and South Dakota, more than one-third of the valuable wetlands where wild ducks and geese nest and rest have been drained in recent years. As a result, the Department of the Interior estimates that if the drainage movement continues, our continental supply of ducks and geese will go the way of the passenger pigeon.

You have the ridiculous spectacle of the U.S. Government, through the Department of Agriculture, paying farmers to drain their potholes, and the Department of the Interior then paying farmers again to flood the drained potholes so that they will once more support waterfowl.

All of this drainage is done in the name of "conservation." Madam Roland deprecated the excesses of the French Revolution by saying, "O liberty, what crimes are committed in thy name." One might say the same thing of some of the "conservation" administered by the agriculture conservation program.

The efforts of myself and others to end federally subsidized drainage of wetlands valuable for wildlife have so far come to nothing. Bills I introduced in the last two Congresses to forbid federally subsidized drainage of wetlands where wildlife preservation would be seriously harmed died without a hearing.

The Department of Agriculture made a so-called "agreement" on May 2, 1960, to "listen to" the Department of the Interior before going ahead with subsidizing farm drainage which would hurt wildlife. Mr. Chairman, during the first period under this agreement for which we have a record, the period July 1-December 31, 1960, the Bureau of Sport Fisheries and Wildlife of the Department of the Interior reports that the Department of Agriculture went right ahead and subsidized drainage in 77 percent of the 553 cases recommended by the Bureau of Sport Fisheries and Wildlife for denial of financial assistance for drainage.

The full report of the Bureau of Sport Fisheries and Wildlife follows:

A total of 1,863 wetland areas, for which farmers had requested assistance for drainage, were inspected between July 1 and December 31, 1960. These areas were located within six counties in South Dakota, three counties in Minnesota, and three counties in North Dakota.

The Soil Conservation Service need and practicability surveys revealed that 234 (13 percent) of the wetland areas were not qualified for drainage assistance. Of the 1,639 wetlands qualified for drainage assistance 553 areas (34 percent) had significant wildlife values and Bureau biologists recommended their conservation. The ASC county committees denied drainage assistance for 128 wetland areas. This was 23 percent of the areas the Bureau recommended for conservation. However, 23 percent of the wet-

land areas denied Federal assistance for drainage were drained privately in South Dakota and Minnesota. Surveys to determine the extent of such private drainage have not been completed in North Dakota.

Considering both the private and federally assisted drainage, 11 percent of the wetland areas the Bureau recommended for conservation were saved in South Dakota and Minnesota.

The ASC county committees approved assistance for the draining of 93 potholes whose owners expressed interest in our acquisition program in Minnesota and South Dakota.

Data are being compiled to show the number of acres of wetlands saved as a result

of the inspection program. This information should be available in about a month.

When drainage data for the calendar year 1960 have been collected and analyzed for all 89 prairie pothole counties, probably in April or early May of 1961, it will be possible to compare the trend of drainage in the 12 pilot counties with the trend in the 77 remaining counties for calendar years 1959 and 1960 to give a better measure of the effectiveness of the inspection program.

The attached table is a current, cumulative summary of the ACP 247 drainage referral inspection program in 12 pilot counties in North Dakota, South Dakota, and Minnesota.

Cumulative summary inspection of ACP 247 drainage referrals in 12 pilot counties in North Dakota, South Dakota, and Minnesota

	South Dakota	North Dakota	Minnesota	Total
1. Number of wetland areas which SCS said qualified for assistance for drainage.....	339	1,090	200	1,629
2. Number of wetland areas which SCS said did not qualify for drainage assistance.....	108	100	26	234
3. Number of SCS qualified wetlands FWS recommended saving.....	148	234	171	553
4. Number of SCS qualified wetlands FWS did not recommend saving.....	191	856	29	1,076
5. Number of SCS qualified wetlands FWS recommended saving for which ASC committees denied drainage assistance including appealed cases.....	42	84	2	128
6. Number of wetlands listed in item 5 which were drained privately.....	8	(1)	2	-----
7. Number of wetlands actually saved (item 5 minus item 6).....	34	(1)	0	-----
8. Number of wetlands in which farmer was interested in our acquisition program.....	89	0	4	93

¹ Incomplete.

Here is the resolution on drainage adopted by the National Wildlife Federation at its 25th annual convention, Washington, D.C., March 2-5, 1961:

Whereas the United States of America continues to be plagued by so-called surpluses of some agricultural products and we, the National Wildlife Federation, being dedicated to preservation of natural resources, cannot see any logical reason for removing an important resource, our soil, from a state of natural protection: Now, therefore, be it

Resolved, That the Federal Government or any State or any subdivision thereof discontinue the practice of financing any drainage of wet lands either by direct subsidy or by loan or by free technical assistance; and be it further

Resolved, That the National Wildlife Federation commend the President of the United States for his statement to the Congress wherein he directed the Secretaries of Interior and Agriculture to resolve the conflicts between agencies "namely, one department paying to have wet lands drained for agricultural purposes while another is purchasing such lands for wildlife or waterfowl refuges."

The National Wildlife Federation heartily endorses the President's directive to the executive branch of the Federal Government and respectfully requests Congress to enact such legislation as is necessary to eliminate the drainage of wet lands with the aid of Federal subsidy and acquire or otherwise reserve the necessary habitat to provide a stable continental waterfowl population.

The Kennedy administration's \$150 million request will permit the real conservation job to be done.

I ask all Members who are interested in economy in Government, and in conserving our natural resources, to support the Eisenhower-Kennedy budget request by supporting this amendment.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Washington.

Mr. PELLY. I think the gentleman recognizes that the Fish and Wildlife Subcommittee has just reported a bill to the Committee on Merchant Marine and Fisheries which would cure, in part, some of the problems by accelerating the acquisition of these wet lands and stopping them from going into production of additional surplus crops.

Mr. REUSS. Yes. That is a splendid bill, and I commend the gentleman for his leadership in reporting that out of the subcommittee. But how ironic it is that we are embarking on an accelerated program of using taxpayers' money to buy wet lands at the same time that we are using taxpayers' money to drain wet lands.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Iowa.

Mr. GROSS. A few moments ago I made the same point, that money is spent to drain these lands, put them into production, and then pay to take care of the surpluses grown on the land. Let us keep a reasonable amount of this land in its present state and bring it into production when it is needed, and it will be needed some day.

Mr. REUSS. I think the gentleman has spoken well. That would be the best kind of a soil bank. Meanwhile, the people of this country who love the outdoors would have some use of it.

Mr. PELLY. Mr. Chairman, if the gentleman will yield further, would not the gentleman's amendment somewhat cut back the use of lime rock, which increases production and is a form of subsidy?

Mr. REUSS. Yes. The administrations of both President Eisenhower and President Kennedy have felt that there is too much use of subsidized fertilizers, such as lime rock, and this amendment would cut out some of the abuses there. There would be plenty left for all legitimate conservation purposes.

Mr. PELLY. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Wisconsin has discussed with us several times the problem he has in his area in regard to wet lands and the interests that they have in the breeding of ducks in those wet lands. I am in accord with his desires, and we have requested the department to cooperate fully. They assured us this year that they would meet with the Department of the Interior and try their best to solve the problem that the gentleman points out.

Now, let us look at the merits of this thing. This bill carries lots of money, as I have pointed out. But, my friends, I do not know of anything in this Nation that is a better investment than the agricultural conservation program. More than a million farmers put up \$2 for each one that the Federal Government puts up in conservation practices scattered all over the United States.

In spite of our efforts, not only through this but through every other means, the record shows that the amount of erosion of topsoil into our rivers and harbors each year exceeds the volume of earth dug from the Panama Canal.

There is nobody in this Congress that is more disturbed about the national debt and inflation than I. But, as I pointed out in making a motion to override the veto of the public works bill a few years ago, nothing of local, national, or international interest is more important than to leave our children a good, sound country with the soil protected and erosion stopped.

The gentleman has had this argument and we have tried to resolve it. But if you are going to have this program, the cost of administering a \$150 million program would be just as high as if you carried the \$250 million. We have had the \$250 million for some time. I think we would get far more good from a soil conservation program if we carried it on at a consistent level.

The practices are selected by the farmer himself. He selects the practice where he is willing to put up a dollar and his own labor. It means in the areas where there are minerals lacking in the soil that the farmer selects the mineral that he feels is worth the dollar he contributes and his labor.

I say again, this is a program where 1 million participants put up an equal amount of money with the Government and supply their labor. Do not take a step back. I hope you will vote the amendment down and go along with this program. I assure the gentleman from Wisconsin I will cooperate as fully as I know how in trying to get his problem resolved. If the gentleman will read the hearings, he will find that we have the assurance of the Department of Agriculture that they will cooperate.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Wisconsin has clearly exposed his interest in this amendment. It is not merely aimed at reducing the ACP practices. He is trying to damage my area. I resent the gentleman's trying to say to the House of Representatives that the rights of the duck hunters from Milwaukee should take precedence over the rights of my farmers in western Minnesota, the Dakotas, and Iowa. The farmers of this area want to be able to get the excess water off their farms. I think the gentleman ought to be ashamed of himself for taking the back-door way. His amendment is not going to have anything to do with wet lands. He would not try to take away the \$100 million, because he knows that would be legislation on an appropriation bill. So I say to my good friend from Wisconsin that he has been in here every year as long as I can remember trying to do damage to my part of the country. He is trying to help his duck hunters at the expense of my farmers. He should go to the legislative committee and try to get legislation.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I will not yield to the gentleman because I know I cannot convince him and he cannot convince me.

[Mr. WILSON of Indiana addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it would be most unwise for the House to reduce the level of the conservation program. We have had a good program in this particular area for several years and I do not think it should be disturbed. The program has worked well year in and year out both under Democratic and Republican administrations. I think it is in the overall best interests of the country. I urge the defeat of the amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman and members of the committee, this debate is getting warm. I agree with the gentleman from Indiana, my very good friend [Mr. Wilson] that we should conserve the soil. But, what good would that land be to anyone if we did not have water on it? We would have another dust storm. We all remember those days when for lack of water the soil blew over the fences and farms were abandoned—sure, we all do. It is not very often that I find myself in support of anything that comes from the other side—usually, because it is not very beneficial to our people—just another spending measure. But, in this particular case, the gentlemen from Wisconsin [Mr. Reuss], I think, is right. If the gentleman from Minnesota [Mr. Andersen] will excuse me for differing with him, permit me to share part of the shame and disgrace which the gentleman from Minnesota [Mr. Andersen] intimated was due to be loaded upon the

shoulders of our friend from Wisconsin because he offered an amendment to save \$1 million. I would like to help to divide his burden of disgrace which our colleague so graciously said he should bear. Everyone knows we have been appropriating a great deal of money to build ponds on the farms. What for? For water—sure—to conserve the land as well as water.

The gentleman from Wisconsin said why with one hand drain every damp spot and with the other did pond dams to hold water prevent floods? We spend millions to conserve water—our supply is in danger we are told. Then out of the same fund we speed the flow of water to the oceans. I think the gentleman from Wisconsin is right about this, and I am sorry—oh, I am so sorry—you have no idea how grief bears me down to find myself doing something which the gentleman from Minnesota says will hurt the farmer—benefit future generations. I will say to the gentleman from Minnesota [Mr. Andersen] how much do the duck hunters, those lazy fellows he berated pay in for licenses and how much do the fishermen pay in for licenses; and how much have we spent; and how much will we spend to build dams to create lakes to conserve water? On a little piece of sand that I own, I put a pond. Why? Because we wanted to hold some water there. Millions of others do the same as do the States and the good old United States of America. Farmers pump some of this stored water over on the land and grow watermelons and canteloupes and all kinds of garden trucks. It was helpful. My heart certainly goes out to the farmers that the gentleman from Minnesota represents and in anguished tones cries for on every possible occasion. To hear him you might get the idea that every individual who was not a farmer or a farm corporation in that great and glorious State was some kind of odious creature. To hear him talk you would think we were taking the shirts right off the backs of the farmers and giving them to some dirty duck hunters or fishermen—a new breed of inferiors who should be shot if they did not own a farm and draw subsidy.

Mr. SANTANGELO. Mr. Chairman, I rise in opposition to the amendment. I rise at this time to speak to my colleagues who represent city areas so that they may have the benefit of information which we have so that they can properly evaluate this amendment. We have assurances that this pothole situation will not take place. The Department of Agriculture is going to work with the Department of the Interior so that this bad situation will not be repeated. But, this particular program is good for the people in the cities who need good water. It is a program that is closely connected and related to the water supply situation in our city of New York as well as the State of New York. These soil conservation practices preserve the land keep water from running off as a result we can get good fresh drinking water in the city of New York and other big cities. If we do not protect the land areas of our Nation, the people who depend on this program to

safeguard their supply of potable water will find themselves in a mess. This is no time to be pennywise and pound foolish. I strongly urge the committee to defeat this amendment.

Mr. DINGELL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, not very often do I come to the well of the House to talk in favor of an amendment which would make this size cut in the budget. I think my good friends, at least one of whom said that we are going to cut out a valuable program, and some of my other colleagues on the appropriations committee may, perhaps, have failed to tell the House the full story because of lack of time to debate this matter properly. But, let me say this. The last administration recommended \$100 million for this program. The present administration recommended \$150 million for this program. The agriculture subcommittee of the Committee on Appropriations in its generosity put \$250 million in this program which is over \$100 million more than was requested and over \$100 million more than the Department of Agriculture, the Bureau of the Budget and the administration say can properly be spent for this program. We are told that this ACP program preserves water. My good friend, the gentleman from Michigan, who preceded me, pointed out that on the one hand we are draining and on the other hand we are building ponds. The \$150 million will build a lot of ponds. The \$150 million will buy a lot of phosphate. The \$150 million will buy an awful lot of lime to improve the land. This is the amount left by the amendment.

We were told that the Department of Agriculture was going to get together with the Department of the Interior and try to solve this problem of drainage of waterfowl habitat.

I have been in Congress for a long time, and others here much longer. We have had this agriculture problem for a long time, but I have not seen any signs that the Department of Agriculture has solved a single major problem it has had in its hands since it has been there. If the money provided is not sufficient to meet its needs they can come back for more next fiscal year, we can always give them more, but as it stands now it is just a form of largesse, a form of waste, a form of squandering the taxpayers' substance and taxpayers' money; and I say that if this House of Representatives today votes this extra \$100 million we can go home and look our taxpayers in the eye and say "I was a party to waste; we wasted, we shot, we blew \$100 million of your money in a program which goes far beyond the needs of the country."

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. WHITTEN. I would like to say to the members of the committee that the Department of Agriculture requested \$250 million, which was the same level we have had heretofore. In checking the matter, I have been unable to find any possible reason for the reduction to \$150 million; I have not had anybody

from the Budget Bureau or anyone from the Department justify this.

It seems to be something of an accident rather than a real intent of those in control. May I also say that this is the announcement of next year's program. It is not in the money to pay for the present year's program. If you adopt the amendment it will reduce the program for next year.

I repeat, Secretary Freeman of the Department of Agriculture requested that \$250 million and made a very strong case to our committee on the basis that we should keep it on an even keel. To adopt this amendment would be to help defeat the very purpose for which we devised the program.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment. I believe the amendment should be defeated.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. REUSS) there were—ayes 107, noes 65.

So the amendment was agreed to.

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REUSS: On page 20, line 4, after the colon, strike out all through the end of line 9.

Mr. REUSS. Mr. Chairman, this amendment becomes necessary in order fully to effectuate the amendment which the Committee of the Whole House has just seen fit, wisely in my opinion, to adopt. It would strike out language on page 20, lines 4 to 9, which says in effect that the county committee can have the absolute voice over whether a given practice can or cannot be followed.

I know that the distinguished chairman of the subcommittee, the gentleman from Mississippi [Mr. WHITTEN], takes the view that this language does not inhibit the Department of Agriculture from cutting down on certain practices, but the language on its face seems to do so; therefore, in order to permit the Department of Agriculture fully to comply with the amendment which has just been adopted, which amendment cut down the appropriation to the \$150 million requested by the administration, it is necessary to delete the language which is at issue in the amendment now before the House.

Before I yield back my time, I should like to pay tribute to the gentleman from Mississippi [Mr. WHITTEN], for his very cooperative efforts over the years to get the Department of Agriculture to get rid of some of the excesses in connection with its farm drainage program. It has been through no fault of the gentleman from Mississippi that the Department of Agriculture finds itself subject to the criticism which it so much deserves. The only way, however, in which the Department can be induced to comply with the will of Congress is by the kind of amendment which was just passed.

I hope the House will adopt my technical amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Does the Justice Department deem the language in the gentleman's amendment necessary to bring about the results he desires?

Mr. REUSS. No. I have not consulted the Department of Justice. I have consulted with able lawyers, like the gentleman from Michigan.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin.

Mr. Chairman, if this Committee should agree to the gentleman's amendment, it will take away from the county ASC committees practically any voice whatsoever in the program and place all of that authority in the hands of the Secretary in Washington. Certainly the gentleman should know that all the practices by which the county committees must abide are contained in what is known as the ACP Handbook which has been approved at the State level and at the Washington level. It is only from those particular practices that the county committee can make recommendations. It simply says that the county ASC committee, with reference to its own particular county, may find certain practices will do more good. If so, then the State committee cannot veto that decision. They can then carry out that particular practice and pay for that particular practice out of the county allotment of ACP funds.

I again say, Mr. Chairman, if the gentleman from Wisconsin does succeed in getting this amendment adopted, it simply means that what little voice the county committee has had in the farm program will be lost due to the action of this Committee.

I hope the gentleman's amendment will be defeated.

[Mr. WILSON of Indiana addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope that the committee will vote this amendment down. May I explain what it will do? The language that would stricken prohibits dictation from Washington. I certainly do not think centering this program in Washington would be sound in the least. I hope the amendment is defeated.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. REUSS. I would like a point of clarification. Under the language as it now exists in the bill, lines 4 to 9, the language we are talking about, if a county committee wishes to embark upon a practice and use taxpayers' money to do it, which the Department of Agriculture in Washington believes has become a wasteful practice, a practice no longer relevant to good soil conservation practices, then they cannot go ahead, nevertheless, and spend the money.

Mr. WHITTEN. The catalog comes about in this way. Recommendations from the county are made to the State,

and from the State to the Federal level. At the Federal level these practices are approved and are put in the Federal catalog. Once they put them in the catalog, then it is up to the State committees to determine what practices they wish to select, and then the county committees select what they wish for the county.

I would hope that they would not dictate from Washington, but I have seen times in the past when the Department told these districts what to do. And, despite the gentleman's interest in this matter, as well as the interest of the present Secretary in that area, I just do not think the gentleman's amendment will help his pothole situation.

One of the troubles we have when we get into a contest with my friend from Wisconsin or my friend from Michigan, or in any contest in Congress or elsewhere, is that 10 times as many people not farmers as are farmers. If somebody does not look out we are going to ruin our watersheds and we are going to ruin the water and food supply for a whole lot of cities without meaning to. This whole program is the best investment we can possibly make.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. DINGELL. Does the gentleman know anybody around here who has voted more consistently for these agricultural programs than I or my colleagues?

Mr. WHITTEN. If my friends from the city districts had not been voting for the agricultural programs we would not have any, because you have the numbers. However, in a contest when agriculture has only 10 percent and the other side 90 percent, and with only about 20 percent of the Members in Congress having any farm interests back home, we must have city support. When we get into a division, agriculture is on the little side.

Mr. DINGELL. I would point out to my good friend that we still leave \$150 million here to carry out this ACP program, but all we ask is a little bit of consideration be given to some of these aspects of the program to which attention has not been paid, and we preserve one of the best flood control systems that have been developed, and that is better than are all of the programs that have been constructed under the ACP.

Mr. WHITTEN. I have tried to help solve these problems, but when the farmers read this debate and see that you have cut the heart out of the program, they will retaliate by doing what you are against. I am trying to help you.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. REUSS].

The question was taken; and on a division (demanded by Mr. REUSS) there were—ayes 26, noes 98.

So the amendment was rejected.

The Clerk read as follows:

CENTENNIAL OBSERVANCE OF AGRICULTURE

Salaries and expenses

For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; expenses of an honorary committee established in connection with such celebration; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$100,000, to remain available until December 31, 1962.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order against the language beginning on page 28, line 14, and continuing down to and including line 2 on page 29, that it is not authorized by law.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. WHITTEN. Yes, Mr. Chairman. May I say we have checked this matter and under the organic act of 1862 creating the Department of Agriculture, authority is granted to disseminate information. It is our argument and our insistence that the language which the gentleman would strike under which a centennial observance of the creation of the Department of Agriculture is to be held here in Washington where visitors from all over the United States may come to see the exhibits and demonstrations and reports and various other things that the Department has brought together over the years is clearly disseminating information, and is within the organic act which creates the Department of Agriculture, which act was passed in 1862.

The CHAIRMAN. The Chair asks the gentleman from Mississippi if he can refer the Chair to any special or specific legislation authorizing the celebration of the centennial of the establishment of the Department of Agriculture or does the gentleman rely on the general organic act?

Mr. WHITTEN. I rely upon the general organic act, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard further on the point of order?

Mr. HOFFMAN of Michigan. I did not find anything in that act which said anything about any honorary committee—they never even dreamed of that at that time.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard further?

Mr. WHITTEN. No, Mr. Chairman. The CHAIRMAN (Mr. KILDAY). The Chair is prepared to rule.

The gentleman from Michigan [Mr. HOFFMAN] makes a point of order against that portion of the bill appearing in line 14 on page 28 through and including line 2 on page 29. The Chair is constrained to hold that the language does constitute legislation on an appropriation bill and, therefore, sustains the point of order.

The Clerk will read.

The Clerk read as follows:

LIBRARY

Salaries and expenses

For necessary expenses, including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, \$1,000,000.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: On page 29, after line 2, strike out all down to and including line 8.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Chairman, I do not know whether I should be against this item. I am trying to hear something more about it. I wish the gentleman in charge of the legislation would tell me just what that means—what necessary expenses including dues for library members in societies or associations are to be paid. That looks like a move to give members of certain groups special rates. What groups do you want to give a special price to? Why should we give a million dollars to the members of certain groups?

Mr. WHITTEN. The million dollars is for the library for the Department of Agriculture, in which all of the agricultural information that we have accumulated through the years is kept together and which is used throughout the country by the Extension Service and all the other branches of government. The language to which the gentleman refers permits these few people to get this assistance. Incidentally, this is a very small unit that operates the library. This language permits these few people to belong to these societies and associations.

Mr. HOFFMAN of Michigan. Pardon me, Mr. Chairman, but what I want to know is what societies and what associations are to be favored? What are the names?

Mr. WHITTEN. I am sorry I do not have the specific names of these societies and associations.

Mr. HOFFMAN of Michigan. What you have here is a million dollars to be given to members of certain societies and you do not know who they are? One of them might be the one I talked about earlier today that organization called the Women's International League for Peace and Freedom in Detroit, Mich., who say that we are worse than the Communists when we voted to support the Committee on Un-American Activities of which the gentleman from Pennsylvania [Mr. WALTER] is chairman. Think of that and support this amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. What are the dues to be? If the dues were \$100 a year for

each one of these societies or associations that would be about 10,000 societies; would it not?

Mr. WHITTEN. May I say to the gentleman, I do not know of any two friends that I have who can stir up more questions on short notice, but this \$1 million is for the library and in all probability all of it will not be used.

Mr. HOFFMAN of Michigan. Mr. Chairman, what library? The bill says societies and associations, does it not? I cannot yield any more. Here you are giving this money to members of groups, and it is not even foreign aid and we do not know even the names of the organization getting the money. We are giving away \$1 million to unknown beneficiaries of unknown organizations.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. I do not know just what the gentleman from Mississippi [Mr. WHITTEN] meant. I think the gentleman said something about two people who can stir up more trouble on short notice. Was that supposed to be a compliment to you and me?

Mr. HOFFMAN of Michigan. I do not know, but the gentleman, I think, will admit that by and large we have good intentions and favor efficiency and saving the tax dollars.

Mr. GROSS. That is right.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this language has been carried in this bill for many, many years.

I am sorry, I say to the committee, that I do not have the names of the societies at my fingertips. This \$1 million is to run the library of the Department of Agriculture only a small portion of the million is involved. It is used to keep the people who deal with the agriculture library in touch with those associations of library science where they can swap information and deal with others, such as the Library of Congress, on a basis which serves the interest of the Department and the library.

Again I assure you, Mr. Chairman, this \$1 million is for the operation of the Department's library.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The Clerk read as follows:

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$47,500,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a

contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

Mr. AVERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AVERY: On page 33, line 22, strike out the period, and add "*Provided further*, (1) That no part of this authorization shall be used to formulate or carry out a price support program for 1962 under which a total amount of price support in excess of \$50,000 would be extended through loans, purchases, or purchase agreements made or made available by Commodity Credit Corporation to any person on the 1962 production of all agricultural commodities, (2) That the term "person" shall mean an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or other legal entity, or a State, political subdivision of a State, or any agency thereof, (3) That in the case of any loan to, or purchase from, a cooperative marketing organization, such limitation shall not apply to the amount of price support received by the cooperative marketing organization, but the amount of price support made available to any person through such cooperative marketing organization shall be included in determining the amount of price support received by such person for purposes of such limitation, and (4) That the Secretary of Agriculture shall issue regulations prescribing such rules as he determines necessary to prevent the evasion of such limitation"—

Mr. AVERY (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with. This in effect is not new language, but was adopted by the House 2 years ago.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. AVERY. Mr. Chairman, I apologize for trespassing upon the time of the House at this late hour. However, this is not new language. We adopted this 2 years ago when the House adopted an amendment in substantially the same language in 1959. I thought we had accepted it in 1960 because of a colloquy I had with the gentleman from Mississippi, but apparently we were not in agreement as to what the language meant in the bill last year.

I also attempted last year to amend the basic Commodity Credit Corporation Act that really emanated from the Banking and Currency Committee. However, I could not even get a hearing before the Banking and Currency Committee, so I am left with no remedy except to offer again this limitation on the agricultural appropriation bill for 1962.

The effect of the amendment would be to limit the lending power of the Commodity Credit Corporation to any one corporation to a total of \$50,000. You ask: Does anybody get a larger loan than \$50,000? Yes, there are loans as high as a million, quite a few as high as half

a million, and 117, I think, wheat loans in excess of \$50,000.

You ask further: Does not the purchaser pledge his grain to repay this loan? The answer is, yes, he does; he pledges his wheat. The Commodity Credit Corporation sustains in excess of \$1 per bushel loss on each bushel of wheat on which a farmer receives a loan. On a half-million-bushel loan the Commodity Credit Corporation loses approximately \$250,000.

So I do not see that this in any way jeopardizes the intent of the legislation but it certainly will prevent tremendous loans to these large farms. For instance, in Arizona there is a Goodyear farm which received a loan of \$387,000. The Commodity Credit Corporation sustained a loss in excess of \$20 per bale on each bale of cotton on which the loan was made, so you figure out what a subsidy was given the Goodyear Farms Corporation from the Federal Treasury. That is charged up to the cost of the Department of Agriculture program.

The Commodity Credit Corporation program was not designed originally to subsidize such farm operations as are listed in the CONGRESSIONAL RECORD. It has grown and developed into a vehicle whereby these corporations take advantage of the program, a program that was designed to stabilize the economy of the so-called small or average size farm.

If there is any other way to reach the problem, I will discuss it with the legislative committees of the House, or with the Committee on Banking and Currency. Since it will not entertain legislation to put this limitation on, I feel that certainly we are doing the farmers of America a favor to preserve the program by enacting a reasonable limitation on the lending authority of the Commodity Credit Corporation.

Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. Does the gentleman from Mississippi insist on his point of order?

Mr. WHITTEN. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill. It provides for new duties on the part of the Secretary of Agriculture, in addition to other legislative provisions.

May I say to the gentleman from Kansas that if he will check the matter he will find my statement last year was accurate. It would have the effect of controlling this, so to that degree it was true. I am opposed to the amendment, of course. And may I repeat again, it is our contention that this is legislation on an appropriation bill, and for that reason the point of order should be sustained.

The CHAIRMAN. Does the gentleman from Kansas desire to be heard on the point of order?

Mr. AVERY. Yes, Mr. Chairman.

As I recall it, about 2 years ago right now, in 1959, I think the distinguished gentleman from Texas was in the chair that day; if not the gentleman from Texas presently in the chair, it was one of his Texas colleagues. When I submitted the original amendment to this same section of the appropriation bill,

the gentleman from Mississippi raised a point of order against the amendment. After a considerable amount of deliberation, shall I say, the Chairman upheld the amendment as being a further limitation on the administrative costs of the Commodity Credit Corporation. Therefore, the point of order was not sustained.

The CHAIRMAN (Mr. KILDAY). The Chair is prepared to rule.

The gentleman from Kansas offers an amendment which has been reported. The Chair would observe it was probably this chairman who occupied the chair on the occasion the gentleman from Kansas referred to. It was apparently on the 18th of May 1959.

The Chair did not understand the gentleman from Kansas to state that the amendment now pending is in identical language as that which was offered in 1959.

Mr. AVERY. I did not so state, or at least I did not intend to so state.

The CHAIRMAN. The Chairman did not understand the gentleman as so stating.

Mr. AVERY. It is substantially the same amendment.

The CHAIRMAN. The Chair has the language which was before the Chair in 1959, and will read it:

Amendment offered by Mr. AVERY: Page 27, line 19, strike out the period, add a colon and insert: "Further, no funds appropriated in this section shall be used to process Commodity Credit loans which are in excess of \$50,000."

The Chair points out that that language was directly, solely and exclusively directed at the purpose for which funds being appropriated at that time could be used.

The Chair has examined the pending amendment, and while the first sentence of the pending amendment would indicate that it is in the nature of a limitation, it does refer to authorizations. This is the crux of the ruling of the Chair.

The Chair points out that the language of the amendment contains definitions, authorizations, and imposes duties upon an officer of the executive department. It is therefore clearly legislation on an appropriation bill. It is not identical or, in the opinion of the Chair, similar to the amendment offered in 1959.

The Chair is constrained to sustain the point of order.

Mr. AVERY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. AVERY. Mr. Chairman, would it be in order to inquire of the Chairman in what way the amendment that I have now pending at the desk imposes any further obligations upon the Secretary than is covered by "Provided further" at the bottom of page 33.

The CHAIRMAN. The Chair calls the gentleman's attention to paragraph No. 4, that the Secretary of Agriculture shall issue regulations and prescribe such rules as he determines necessary to prevent an evasion of such limitations. That is only one of the legislative provisions which the Chair observes in the amendment.

The Chair sustains the point of order.

Mr. AVERY. Mr. Chairman, may I submit another parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. AVERY. Mr. Chairman, the language of the amendment now pending at the desk is the identical language that came into conference from the other body following action of the House, and my amendment in 1959 became incorporated, I believe, in the conference report. Does that in any way change the legislative history of the amendment?

The CHAIRMAN. The Chair may advise the gentleman that nothing is pending before the Chair, but by way of observation, the language the gentleman speaks of was apparently added by the other body. The present occupant of the Chair would not attempt to state or to interpret the rules or procedure of the other body.

Mr. AVERY. I thank the Chairman.

The Clerk continued the reading of the bill.

Mr. ALGER. Mr. Chairman, at a time of worldwide economic competition, with only \$6.2 billion gold reserve beyond the \$11.2 billion which supports our currency, we here today are asked to provide \$3,662 million in food giveaway to foreign nations under Public Law 480. This is in addition to \$4½ billion in foreign aid, the billions of unexpended balances of previous years of foreign aid, the off-shore procurement, the foreign military bases expenditures, and the interest on that part of our national debt attributable to earlier years of foreign aid and deficit spending. What are we trying to do? Rush to our economic suicide? Are we indeed spending ourselves into bankruptcy? Our estimated Federal expenditures have increased since January until now we are faced with at least a \$4 billion deficit. This does not take into account the additional appropriations yet to come.

It is beginning to become clear that if our Nation perishes economically, and it is certainly possible following our present course, it will be by our own hands, our own lack of self-discipline. I am heartily opposed to this ridiculous agricultural appropriation bill.

Mr. WHITTEN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MILLS) having assumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7444), making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WHITTEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment?

Mr. WHITTEN. Mr. Speaker, I demand a separate vote on the Reuss amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Page 19, line 24, after "to" strike out "\$250,000,000" and insert "\$150,000,000".

The SPEAKER pro tempore. The question is on the amendment.

Mr. WHITTEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 184, nays 196, answered "present" 0, not voting 56, as follows:

[Roll No. 70]

YEAS—184

Addabbo	Findley	Michel
Addonizio	Finnegan	Milliken
Anderson, Ill.	Ford	Minshall
Ashbrook	Frellinghuysen	Moeller
Ashley	Friedel	Monagan
Auchincloss	Fulton	Moorehead,
Ayres	Gallagher	Ohio
Baring	Garland	Moorhead, Pa.
Barrett	Garmatz	Morse
Barry	Gary	Mosher
Bates	Gavin	Murphy
Becker	Glaimo	Nix
Beckworth	Gilbert	O'Brien, Ill.
Bell	Glenn	O'Hara, Ill.
Bennett, Fla.	Goodell	Osmers
Betts	Goodling	Ostertag
Boland	Granahan	Pelly
Bolling	Gray	Philbin
Bolton	Green, Oreg.	Pike
Brademas	Griffin	Pillion
Brewster	Griffiths	Price
Bromwell	Gross	Pucinski
Broomfield	Haley	Ray
Brown	Halpern	Reuss
Broyhill	Harsha	Rhodes, Ariz.
Bruce	Harvey, Mich.	Rhodes, Pa.
Burke, Mass.	Hechler	Riehlman
Byrne, Pa.	Hestand	Robison
Cahill	Hoffman, Ill.	Rodino
Carey	Hoffman, Mich.	Rogers, Fla.
Casey	Holland	Roosevelt
Cederberg	Holtzman	Rostenkowski
Chamberlain	Joelson	Rousselot
Church	Johansen	Ryan
Clancy	Jonas	St. George
Clark	Judd	Schenck
Cohelan	Karsten	Scherer
Collier	Kearns	Schneebeli
Corbett	Kelth	Schweiker
Cunningham	Kelly	Scranton
Curtin	King, Calif.	Shelley
Curtis, Mass.	King, N.Y.	Short
Curtis, Mo.	Kirwan	Sibal
Daddario	Kluczynski	Siler
Dague	Kowalski	Smith, Calif.
Delaney	Kunkel	Sullivan
Dent	Latta	Taber
Derounian	Lesinski	Thompson, N.J.
Derwinski	Lindsay	Toll
Devine	Lipscomb	Tollefson
Diggs	McCulloch	Udall
Dingell	McDonough	Vanik
Donohue	McDowell	Van Zandt
Dooley	McVey	Wallhauser
Dulski	Macdonald	Weiss
Durno	MacGregor	Whalley
Dwyer	Machrowicz	Widnall
Ellsworth	Madden	Wilson, Calif.
Farbstein	Maillard	Yates
Fascell	Martin, Mass.	Younger
Felghan	Martin, Nebr.	Zelenko
Fenton	Meador	

NAYS—196

Abbitt
Abernethy
Alexander
Alford
Andersen,
Minn.
Andrews
Anfuso
Ashmore
Aspinall
Avery
Bailey
Baker
Baldwin
Bass, N.H.
Bass, Tenn.
Battin
Belcher
Berry
Blatnik
Bonner
Bow
Boykin
Bray
Breeding
Brooks, La.
Brooks, Tex.
Buckley
Burlison
Cannon
Celler
Chelf
Chenoweth
Coad
Colmer
Cook
Cooley
Corman
Davis
James C.
Davis, John W.
Dawson
Denton
Dole
Dorn
Dowdy
Doyle
Edmondson
Elliott
Everett
Fisher
Flood
Flynt
Forrester
Fountain
Frazier
Gathings
Gubser
Hagan, Ga.
Hagen, Calif.
Hall
Hansen
Harding
Harris
Harrison, Wyo.
Harvey, Ind.

Hays
Healey
Hébert
Hemphill
Henderson
Horan
Huddleston
Hull
Ichord, Mo.
Ikard, Tex.
Inouye
Jarman
Jennings
Jensen
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Karth
Kastenmeier
Kee
Keogh
Kilday
Kilgore
King, Utah
Kitchin
Kornegay
Kyl
Laird
Landrum
Lane
Langen
Lankford
Libonati
McFall
McIntire
McMillan
McSweeney
Mack
Magnuson
Mahon
Marshall
Mathias
Matthews
May
Merrow
Miller, Clem
Mills
Montoya
Moore
Morris
Morrison
Moss
Moulder
Multer
Murray
Natcher
Nelsen
Norblad
Norrell
Nygaard
O'Hara, Mich.
Olsen
Patman

Perkins
Peterson
Pfost
Poage
Poff
Powell
Quie
Rabaut
Randall
Reece
Reifel
Riley
Rivers, Alaska
Rivers, S.C.
Rogers, Colo.
Rogers, Tex.
Rooney
Roudebush
Rutherford
Santangelo
Saylor
Schadeberg
Schwengel
Scott
Seely-Brown
Selden
Shibley
Shriver
Sisk
Slack
Smith, Iowa
Smith, Miss.
Smith, Va.
Spence
Springer
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, Tex.
Thompson, Wis.
Thornberry
Trimble
Tuck
Tupper
Ullman
Van Pelt
Watts
Weaver
Wharton
Whitener
Whitten
Wickersham
Williams
Wilson, Ind.
Winstead
Wright
Young
Zablocki

NOT VOTING—56

Adair
Albert
Alger
Arends
Beermann
Bennett, Mich.
Blitch
Boggs
Burke, Ky.
Byrnes, Wis.
Chiperfield
Conte
Cramer
Daniels
Davis, Tenn.
Dominick
Downing
Evins
Fallon

Fino
Fogarty
Grant
Green, Pa.
Halleck
Hardy
Harrison, Va.
Herlong
Hoeven
Hollfield
Hosmer
Kilburn
Knox
Loser
McCormack
Mason
Miller
George P.
Miller, N.Y.

Morgan
O'Brien, N.Y.
O'Konski
O'Neill
Passman
Pilcher
Pirnie
Rains
Roberts
St. Germain
Saund
Sheppard
Sikes
Utt
Vinson
Walter
Westland
Willis

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Walter for, with Mr. Pilcher against.
Mr. Daniels for, with Mr. Evins against.
Mr. Beermann for, with Mr. McCormack against.
Mr. Fino for, with Mr. Roberts against.
Mr. Kilburn for, with Mr. Herlong against.
Mr. Fallon for, with Mr. Willis against.
Mr. Hosmers for, with Mr. Pirnie against.
Mr. Mason for, with Mr. Boggs against.

Mr. Fogarty for, with Mr. Albert against.
Mr. St. Germain for, with Mr. Hoeven against.
Mr. Hollfield for, with Mr. Loser against.
Mr. Sheppard for, with Mr. Morgan against.
Mr. Miller of California for, with Mr. Rains against.
Mr. O'Neill for, with Mr. Sikes against.
Mr. Green of Pennsylvania for, with Mr. Harrison of Virginia against.
Mr. O'Brien of New York for, with Mr. Davis of Tennessee against.

Until further notice:

Mrs. Blitch with Mr. Halleck.
Mr. Passman with Mr. Miller of New York.
Mr. Hardy with Mr. O'Konski.
Mr. Vinson with Mr. Utt.
Mr. Downing with Mr. Adair.
Mr. Grant with Mr. Bennett of Michigan.
Mr. Burke of Kentucky with Mr. Conte.
Mr. Saund with Mr. Byrnes of Wisconsin.

Messrs. BUCKLEY, SCHWENGEL, GUBSER, and BASS of New Hampshire changed their vote from "yea" to "nay." Messrs. CUNNINGHAM, BRUCE, and HALPERN changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MILLS). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MICHEL. In its present form I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MICHEL moves to recommit the bill to the Committee on Appropriations.

Mr. WHITTEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. BECKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 318, nays 65, not voting 52, as follows:

[Roll No. 71]

YEAS—318

Abbitt
Abernethy
Addabbo
Addonizio
Albert
Alexander
Alford
Andersen,
Minn.
Andrews
Anfuso
Ashley
Ashmore
Aspinall
Avery
Ayres
Bailey
Baker
Baldwin
Barrett
Barry
Bass, N.H.
Bass, Tenn.

Battin
Beckworth
Belcher
Bennett, Fla.
Berry
Betts
Blatnik
Boland
Bolling
Bolton
Bonner
Bow
Boykin
Brademas
Bray
Breeding
Bromwell
Brooks, La.
Brooks, Tex.
Brown
Broyhill
Buckley
Burke, Ky.

Burke, Mass.
Burlison
Byrne, Pa.
Cannon
Carey
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Church
Clark
Coad
Cohelan
Colmer
Cook
Corman
Cunningham
Curtin
Daddario
Dague
Davis,
James C.

Davis, John W.
Dawson
Delaney
Dent
Denton
Diggs
Dole
Donohue
Dooley
Dorn
Dowdy
Doyle
Durno
Edmondson
Elliott
Ellsworth
Everett
Fallon
Farbstein
Fasell
Feighan
Fenton
Finnegan
Fisher
Flynt
Forrester
Fountain
Frazier
Frelinghuysen
Friedel
Gallagher
Garland
Gary
Gathings
Gavin
Giaino
Gilbert
Glenn
Goodling
Granahan
Gray
Griffin
Griffiths
Gross
Gubser
Hagan, Ga.
Hagen, Calif.
Hall
Hansen
Harding
Harris
Harrison, Wyo.
Harsha
Harvey, Ind.
Harvey, Mich.
Hays
Healey
Hechler
Hemphill
Henderson
Hoeven
Hollfield
Holtzman
Horan
Huddleston
Hull
Ichord, Mo.
Ikard, Tex.
Inouye
Jarman
Jennings
Jensen
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Judd
Karsten
Karth
Kastenmeier
Kee
Keith

Kelly
Keogh
Kilday
Kilgore
King, Calif.
King, N.Y.
King, Utah
Kitchin
Kluczynski
Kornegay
Kowalski
Kunkel
Kyl
Laird
Landrum
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lindsay
McCormack
McCulloch
McDonough
McDowell
McFall
McIntire
McMillan
McSweeney
McVey
Macdonald
MacGregor
Machrowicz
Mack
Madden
Magnuson
Mahon
Marshall
Martín, Nebr.
Mathias
Matthews
May
Meader
Merrow
Miller, Clem
Milliken
Mills
Moeller
Monagan
Montoya
Moore
Moorehead,
Ohio
Moorhead, Pa.
Morgan
Morris
Morrison
Morse
Moss
Moulder
Multer
Murphy
Murray
Natcher
Nelsen
Nix
Norblad
Norrell
Nygaard
O'Brien, Ill.
O'Hara, Ill.
O'Hara, Mich.
Olsen
Ostertag
Passman
Patman
Perkins
Peterson
Pfost
Philbin
Poage
Poff

Powell
Price
Pucinski
Quie
Rabaut
Randall
Reece
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Riley
Rivers, Alaska
Rivers, S.C.
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney
Roosevelt
Rostenkowski
Roudebush
Rutherford
Ryan
Santangelo
Saund
Schadeberg
Schneebeli
Schwengel
Scott
Scranton
Seely-Brown
Selden
Shelley
Shipley
Short
Shriver
Sibal
Siler
Sisk
Slack
Smith, Iowa
Smith, Miss.
Smith, Va.
Spence
Springer
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Calif.
Teague, Tex.
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Thompson, Wis.
Toll
Trimble
Tuck
Tupper
Udall
Ullman
Vanik
Van Pelt
Van Zandt
Watts
Weaver
Weis
Whalley
Whitener
Whitten
Wickersham
Williams
Wilson, Ind.
Winstead
Wright
Yates
Young
Zablocki
Zelenko

NAYS—65

Alger
Anderson, Ill.
Ashbrook
Auchincloss
Baring
Bates
Becker
Bell
Brewster
Broomfield
Bruce
Cahill
Casey
Clancy
Collier
Corbett
Curtis, Mass.
Curtis, Mo.
Derounian

Derwinski
Devine
Dingell
Dulski
Dwyer
Findley
Ford
Fulton
Goodell
Green, Oreg.
Haley
Halpern
Hiestand
Hoffman, Ill.
Hoffman, Mich.
Joelsen
Johansen
Kearns
Lipscomb

Mailliard
Martin, Mass.
Michel
Minshall
Mosher
Osmers
Pelly
Pike
Pillion
Ray
Robison
Rogers, Fla.
Rousset
St. George
Saylor
Schenck
Scherer
Schweiker
Smith, Calif.

Taber	Wallhauser	Wilson, Calif.
Thomas	Wharton	Younger
Tollefson	Widnall	

NOT VOTING—52

Adair	Fogarty	Miller, N.Y.
Arends	Garmatz	O'Brien, N.Y.
Beermann	Grant	O'Konski
Bennett, Mich.	Green, Pa.	O'Neill
Blitch	Halleck	Pilcher
Boggs	Hardy	Pirnie
Byrnes, Wis.	Harrison, Va.	Rains
Chiperfield	Hébert	Roberts
Conte	Herlong	St. Germain
Cooley	Holland	Sheppard
Cramer	Hosmer	Sikes
Daniels	Kilburn	Thornberry
Davis, Tenn.	Kirwan	Utt
Dominick	Knox	Vinson
Downing	Loser	Walter
Evins	Mason	Westland
Fino	Miller	Willis
Flood	George P.	

So the bill was passed.
The Clerk announced the following pairs:

Mr. Daniels with Mr. Arends.
Mr. Hébert with Mr. Kilburn.
Mr. Garmatz with Mr. Fino.
Mr. O'Neil with Mr. Conte.
Mr. Rains with Mr. Cramer.
Mr. Boggs with Mr. Pirnie.
Mr. Fogarty with Mr. Miller of New York.
Mr. St. Germain with Mr. Mason.
Mr. Evins with Mr. Adair.
Mr. Loser with Mr. Beermann.
Mr. Kirwan with Mr. Knox.
Mr. Walter with Mr. Roberts.
Mr. Willis with Mr. Byrnes of Wisconsin.
Mr. Holland with Mr. Utt.
Mr. Harrison of Virginia with Mr. Dominick.
Mr. Hardy with Mr. Westland.
Mr. Pilcher with Mr. Chiperfield.
Mr. Downing with Mr. Bennett of Michigan.
Mr. Sikes with Mr. Halleck.
Mr. Davis of Tennessee with Mr. O'Konski.
Mr. Herlong with Mr. Hosmer.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

The SPEAKER laid before the House the following resignation:

Hon. SAM RAYBURN,
The Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I am unable to participate in the fifth meeting of the Canada-United States Interparliamentary Group and, therefore, submit my resignation to become effective immediately.

I very much regret that this action is necessary, but because of a conflict in my schedule I must sever my participation in the meeting.

Sincerely,

JAMES HARVEY.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT OF MEMBER TO CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

The SPEAKER. Pursuant to the provisions of section 1, Public Law 86-42, the Chair appoints as a member of the U.S. delegation of the Canada-United States Interparliamentary Group for the meeting to be held in the District of

Columbia, commencing on June 8, 1961, the gentleman from New York, Mr. HOWARD W. ROBISON, to fill the existing vacancy thereon.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 1852) entitled "an Act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. STENNIS, Mr. SYMINGTON, Mr. SALTONSTALL, and Mrs. SMITH of Maine to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. MANSFIELD, Mr. DODD, Mr. MCCARTHY, Mr. PELL, Mrs. NEUBERGER, Mr. MAGNUSON, Mr. AIKEN, Mr. WILEY, Mr. DWORSHAK, Mr. CAPEHART, Mr. ALLOTT, and Mr. CASE of South Dakota to be members of the Canadian-United States Interparliamentary Group.

AUTHORIZATION OF APPROPRIATIONS FOR AIRCRAFT, MISSILES, AND NAVAL VESSELS FOR THE ARMED FORCES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, S. 1852, to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes, insist on the House amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

The Chair hears none, and appoints the following conferees: Messrs. VINSON, KILDAY, RIVERS of South Carolina, PHILBIN, HÉBERT, ARENDS, GAVIN, VAN ZANT, and BATES.

EXCERPTS FROM REVIEWS OF THE "MARK TWAIN TONIGHT" EUROPEAN TOUR

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. MONAGAN. Mr. Speaker, we have recently heard some criticism of the cultural exchange program under current laws on the floor of the House and also in the public prints. Some of this criticism is based on lack of information.

The members of the State Department Organization and Foreign Operations Subcommittee of the House Committee on Foreign Affairs were privileged last week to hear testimony from Hal Holbrook, the eminent actor, who has made such a conspicuous success in recent years in his famous portrayal of Mark Twain.

Mr. Holbrook told the committee of the great success that his appearance in Europe had achieved in improving relations between the United States and Europe and in making Europeans aware of a uniquely American culture.

Since Mr. Holbrook's appraisal of the effect of his performance on European audiences was a personal one, it could be claimed that there was bias in his estimate, but there can be no bias in the estimates of the European newspapers in the various cities where Mr. Holbrook appeared. Their reactions give eloquent testimony to the value of Mr. Holbrook's contribution and the profit which accrues to the United States from this program.

I believe that this editorial comment is so valuable that it should be made available to the Congress and I include at this point excerpts from reviews of "Mark Twain Tonight" which were written during Hal Holbrook's European Tour of September, October, and November 1960:

EXCERPTS FROM SOME OF THE REVIEWS OF "MARK TWAIN TONIGHT" EUROPEAN TOUR, SEPTEMBER-NOVEMBER 1960

He presented the phenomenal Twain in his seventies when the author had reached the height of his fame and could pride himself that most "bon mots" which circulated at the turn of the century had originated in the brain from which also the classical romantic figures of Tom Sawyer and Huckleberry Finn sprang. In his diversified and mostly ironical causeries which he had amassed in an adventurous life, Twain revealed himself at that age as a fascinating stage personality who owed his great popularity to his qualities as an author rather than to his qualities as an orator.

Holbrook accomplished putting new life into that old subtle entertainer with a suggestive performance which fascinated from beginning to end—De Telegraaf, Amsterdam.

Mark Twain—the renowned American author and humorist who was born 125 years ago—was portrayed full length in Amsterdam last night as a man in his seventies. The American actor, Hal Holbrook, who was born in 1925, that is 15 years after the death of the famous author, again brought to life the great story-teller of the Mississippi River before an audience which he completely enthralled. Not a word was spoken on the sober stage that was not written by Mark Twain, not a gesture made which was not a true copy of the curious mannerisms of a nonconformist old man of some generations ago.

It was especially Twain, the narrator of anecdotes—the great supplier of witty fillers as a welcome attraction for magazines—who was presented on the stage. * * * It was an evening of clever portraying a 2½-hour anthology from Twain's inexhaustible repertory, a sample card of American southern accents. * * * It was a pity that the show did not last longer and that only one show was given in our country. * * * This is American art at its best.—De Volkskrant, Amsterdam.

Americans have a perplexing ability to bring things on stage that at first glance seem utterly untheatrical and ineffective dramawise. But what now was being staged in the Frankfurt Amerikahaus was apparently, at first sight, the most singular rarity of all those American theater treatments. Because there was Mark Twain, the great American humorist, known to everybody here as the author of "Tom Sawyer"

and "Huckleberry Finn"—from which book, according to Hemingway, the entire modern American literature derives—and Mark Twain made his appearance in a white linen suit, with a red plastron, with gray shaggy hair and a moustache of the same color, and addressed the audience. He talked parenthetically, with a rough snarl, citing and quoting from his own works: hilarious, bitter, sarcastic objects, or bizarre, right out of the realm of Ionesco, and many a thing pensive or meditative.

The young American actor Hal Holbrook lends him physical shape, voice, gesture, and presence of mind. Holbrook is 35 years old, half as old as the Mark Twain he represented, but the young man allows himself to be merged in the great old man of American literature. This could be seen as more than acting; it is almost identification. * * *

But with all the refinement and the accuracy of the acting, as it were a scientific reconstruction, delightful though, there would remain a slight uneasiness were it not the peculiarly original Mark Twain who is still alive as a satirist and moralist, as a grumbler and jolly dog. His noble attitude considering the human races, his mockery on tourists and guides, for instance, prove himself a writer necessary for our time. * * * It is Mark Twain's imperturbability that makes this guest performance so relevant.—Frankfurter Allgemeine Zeitung.

So, after many hilarious incidentals Mark Twain's appearance in the year 1960 was a real rapture. The great American humorist is dead for 50 years now and his quips and tales, his innuendos on techniques and civilization are still as fresh as in those days when he toured the world as a traveling entertainer. Hal Holbrook's years of studying Mark Twain and any pertaining material he could lay hands upon gave him the capability of identifying himself with Mark Twain. The personal appearance of the author of Tom Sawyer's adventures—floating white mane, white suit, and a smoking black cigar, his bent carriage, and harsh old-man's voice was perfectly impersonated by Holbrook in all details. * * *

Mr. Samuel Langhorne Clemens, known everywhere as Mark Twain, appearing bodily at that evening, is the result of an unheard-of-acting training in the services of one single character. Even the purists of the word would gladly agree in this case that true-to-life imitation of a man and his environment may indefinitely enhance the effect of his spoken words.—Frankfurter Rundschau.

The young American actor Hal Holbrook who made theater history in his brilliant performance as the 70-year-old Mark Twain during the last year has re-enlivened the figure of the great American humorist also in Frankfurt. During his Germany tour which led him to Munich, Hamburg, and Berlin he made his appearance in a closed show before an audience of invited guests of the Frankfurt Amerikahaus.

With a wily smile an old man in a white suit conveniently entered the stage. Long before he came to a halt near an old-fashioned reading desk, genially beckoning to the audience, everybody sensed the waves of sympathy and respect that surged toward the stage.

Mark Twain, America's master of humor, died in 1910. But his image, such as it is known to the world, is again taking possession today of the stages and podiums of America and Europe, thereby delighting ever new listeners with the same old quips and stories. However, the Mark Twain of today is the fantastically genuine, clever, and funny creation of a 35-year-old actor called Hal Holbrook.

Before Hal Holbrook gave his debut on Broadway, and by so doing offered the great-

est surprise of the theater year 1959, Mark Twain was mainly known to the modern world as the genitor of Tom Sawyer and Huckleberry Finn.

Holbrook induced a tide of curiosity. Everybody was eager to learn more about Mark Twain, his life and his few known works. America rediscovered him, enthusiasm reached its climax in 1960, 50 years after his death, and these waves of rapture are now rolling onto the shores of the Old World. * * *

Arnold Bennett once called Mark Twain "the divine amateur." More planning and preparation was applied to the art of narration, though. Hal Holbrook dug up quite a number of Mark Twain's notes on the technique of a speech which subtly analyzed, for instance, the value and the precise length of pauses. And the actor profits by the heritage in a wondrous way—as for example with the trick to let the point of a joke flash up in three to four cascades, seemingly unintentionally and improvised.

Holbrook studied an old record and a film which enabled him to adapt the gestures and the old man's deportment. He talked to relatives and friends who had known Mark Twain. For 12 years he read everything he could find about Mark Twain until the private life of the poet was just as familiar to him as his way of appearing in public.

Holbrook's role is a most difficult test for acting ability. To the components of Mark Twain's personal appearance * * * he had to add something of the peculiarities of Mark Twain's private personality. * * *

The critics' applause was overwhelming. * * *

And so it was. But a new resplendence of his glory brought him back to us, a bright shine which, this time, beams down on two great talents.—Offenbach Post, Frankfurt.

A lively, 70-year-old man in a light suit tripped onto the stage of the Amerika Haus with small, measured steps, apparently feeling at home there, and began to chat, to narrate, and to reason. He lighted a cigar with great ceremony and lectured on the dangers of moderation. * * *

Mark Twain or Samuel Clemens—we have known him almost only as the author of Tom Sawyer and Huckleberry Finn—was already a national institution in the States before his death in 1910, a national court jester, and an unconventional literary pioneer. * * *

Holbrook awakened a Mark Twain renaissance among his own countrymen.—Muenchner Merkur, Munich.

We cast a glance of curiosity at the program and noticed this: "We had engaged a trumpeter but he is unreliable, so please do not wait for him." There was the spirit of Mark Twain, the best humorist that the New World has so far brought to us. And slowly but with certainly there developed the complete and spiritual force of Mark Twain, before a public that completely filled the seats of the America House, as at a festival premiere.

It truly was a festival. That which Hal Holbrook presented to us from the podium, through the magic of his theatrical makeup and through his mimicry, was the mask of the 70-year-old Mark Twain. There to the life stood the old man who used to like to speak of the "damned human race," and who yet in his writings and outlook was so truly philosophic and so truly religious in his humor that he could utter these courageous words "Humor is one of the most truly important attributes of God."

And how wonderfully spontaneous did Holbrook present his wit and wisdom. Repeatedly he brought Twain to life on the stage. Realistically Mark Twain with his big cigar moved here and there, his eyes twinkling, re-created through Holbrook.

This was a gift worthy of a festival, and the public with thunderous applause gave thanks for this wonderful gift.—Hamburger Abendblatt.

The old gentleman delivered his sharp-pointed sentences on everything and everybody. Each point came out of a full basket of anecdote. How Holbrook achieves this is truly remarkable. How he walks between table and stand, his timing perfect as he smokes his cigar, calculates the timing, and then produces his effect is truly effective. An extraordinary evening.—Die Welt, Hamburg.

It was thanks to the cultural section of the local American Embassy that this witty pleasure was now made available in the original to the American colony in Bonn and also to interested Germans knowing the language. For 2 hours laughter and high spirits prevailed in the auditorium of the university. Hal Holbrook recited Mark Twain and he was Mark Twain; he was authentic right to his finger tips and to the pauses for effect in his recitations. Very well known texts alternated with etudes in prose of which we had no notion, trite aperçus with classical passages from "Huckleberry Finn." Criticism was levied against the press and the abuse of interviewing people; and American tourists in front of European objects of art were taken on the point of his ironical pen, * * * the attention of the audience never ceased. Neither did the laughter. It was magnificent.—General-Anzeiger, Bonn.

When the curtain on the Amerika Haus stage was raised, one believed to see the 70-year old Mark Twain in person. In a white suit, with a red tie, and golden watch chain, he stood at the footlights, slightly bent forward, grinning stealthily behind his white mustache, and talked for 2½ hours with an amusing text material, which had the effect of an ad-libbed speech, to a thrilled, enchanted audience.

The illusion of seeing the old author at the peak of his fame on one of his lecture tours, which 64 years ago also led him to Berlin, was complete.

The American actor, Hal Holbrook, born almost 100 years later than the man he was personifying, has spent many years on detailed study to make his performance seem like a portrait of Mark Twain. As a result the author of typical American humorous spirit was in a very striking way appreciated and represented, even up to details of mannerisms and way of talking.—Der Kurier, evening edition, Berlin.

It was incredible what we experienced in the Merkur Theater last night, and for a couple of hours the performance lasted we would have liked to rename the Merkur the Mark Twain Theater.

Holbrook has identified himself with Mark Twain. As a truly great actor he is—to the life—the great humorist and entertainer on the stage, at the same time keeping a close watch, in a technically polished form, on the character he is bringing to life. In its way it is a work of genius. * * *

We were very fortunate to see him and would have wished him to stay for more performances—in honor of that Copenhagen audience which is very well versed in the English language. * * * One may pay tribute to Holbrook on many counts: His make-up * * *; Mark Twain at 70 (that is, in 1905), an old man's face which we could not have distinguished from Twain's own face, had he been present, a face full of life, with intelligent, warm, sad eyes. The slightly hoarse, but expressive ring of the voice, the figure's shuffling old man's gait, the spry, vivid fiddling of the hands.

87TH CONGRESS
1ST SESSION

H. R. 7444

IN THE SENATE OF THE UNITED STATES

JUNE 7, 1961

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1962; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—REGULAR ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, and home economics, to
7 control and eradicate pests and plant and animal diseases,
8 and to perform related inspection, quarantine and regulatory
9 work, and meat inspection: *Provided*, That not to exceed
10 \$75,000 of the appropriations hereunder shall be available
11 for employment pursuant to the second sentence of section
12 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as
13 amended by section 15 of the Act of August 2, 1946 (5
14 U.S.C. 55a): *Provided further*, That appropriations here-
15 under shall be available for the operation and maintenance
16 of aircraft and the purchase of not to exceed two, of which
17 one shall be for replacement only: *Provided further*, That
18 appropriations hereunder shall be available pursuant to title
19 5, United States Code, section 565a, for the construction,
20 alteration, and repair of buildings and improvements, but
21 unless otherwise provided, the cost of constructing any one
22 building (except headhouses connecting greenhouses) shall
23 not exceed \$15,000, except for five buildings to be con-
24 structed or improved at a cost not to exceed \$30,000 each,
25 and the cost of altering any one building during the fiscal

1 year shall not exceed \$5,000 or 5 per centum of the cost of
2 the building, whichever is greater: *Provided further*, That
3 the limitations on alterations contained in this Act shall not
4 apply to a total of \$50,000 for conversion of animal disease
5 and parasite research facilities at Beltsville, Maryland:

6 Research: For research and demonstrations on the pro-
7 duction and utilization of agricultural products, home
8 economics, and related research and services, including ad-
9 ministration of payments to State agricultural experiment
10 stations, \$76,558,000: *Provided*, That the limitations con-
11 tained herein shall not apply to replacement of buildings
12 needed to carry out the Act of April 24, 1948 (21 U.S.C.
13 113a) : *Provided further*, That the Secretary of Agriculture
14 may sell the Entomology Research Laboratory at Orlando,
15 Florida, in such manner and upon such terms and conditions
16 as he deems advantageous and the proceeds of such sale shall
17 remain available until expended for the establishment of an
18 entomology research laboratory: *Provided further*, That in
19 the establishment of such laboratory the Secretary may
20 acquire land therefor by donation or exchange: *Provided*
21 *further*, That the Secretary may acquire approximately
22 thirty-five acres of land at Kerrville, Texas, by donation, for
23 research purposes;

24 Plant and animal disease and pest control: For opera-
25 tions and measures, not otherwise provided for, to control

1 and eradicate pests and plant and animal diseases and for
2 carrying out assigned inspection, quarantine, and regulatory
3 activities, as authorized by law, including expenses pursu-
4 ant to the Act of February 28, 1947, as amended (21
5 U.S.C. 114b-c), \$55,165,000, of which \$1,500,000
6 shall be apportioned for use pursuant to section 3679 of
7 the Revised Statutes, as amended, for the control of out-
8 breaks of insects and plant diseases to the extent neces-
9 sary to meet emergency conditions: *Provided*, That no funds
10 shall be used to formulate or administer a brucellosis eradi-
11 cation program for fiscal year 1963 that does not require
12 minimum matching by any State of at least 40 per centum:
13 *Provided further*, That the Secretary is authorized to ac-
14 quire land for the plant pest control activities presently
15 located at Gulfport, Mississippi;

16 Meat inspection: For carrying out the provisions of
17 laws relating to Federal inspection of meat, and meat-food
18 products, and the applicable provisions of the laws relat-
19 ing to process or renovated butter, \$24,216,000.

20 Special fund: To provide for additional labor to be
21 employed under contracts and cooperative agreements to
22 strengthen the work at research installations in the field,
23 not more than \$1,000,000 of the amount appropriated under
24 this head for the fiscal year 1961 may be used by the
25 Administrator of the Agricultural Research Service in de-

1 partmental research programs in the fiscal year 1962, the
2 amount so used to be transferred to and merged with the
3 appropriation otherwise available under "Salaries and
4 expenses, Research".

5 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
6 PROGRAM)

7 For purchase of foreign currencies which accrue under
8 title I of the Agricultural Trade Development and Assist-
9 ance Act of 1954, as amended (7 U.S.C. 1704), for market
10 development research authorized by section 104 (a), and for
11 agricultural and forestry research authorized by section 104
12 (k) of that Act, to remain available until expended, \$5,-
13 265,000: *Provided*, That funds appropriated herein shall be
14 used to purchase such foreign currencies as the Department
15 determines are needed and can be used most effectively to
16 carry out the purposes of this paragraph, and such foreign
17 currencies shall, pursuant to the provisions of section 104
18 (a), be set aside for sale to the Department before foreign
19 currencies which accrue under said title I are made avail-
20 able for other United States uses.

21 CONSTRUCTION OF FACILITIES

22 For construction of facilities and acquisition of the neces-
23 sary land therefor by donation or exchange, \$800,000, to
24 remain available until expended.

STATE EXPERIMENT STATIONS

Payments to States and Puerto Rico: For payments to agricultural experiment stations to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture, \$34,053,000; and payments authorized under section 204 (b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U.S.C. 1623), \$500,000; in all, \$34,553,000.

Penalty mail: For penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, \$250,000.

DISEASES OF ANIMALS AND POULTRY

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, as amended, and the Act of May 29, 1884, as amended (7 U.S.C. 391; 21 U.S.C. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus,

1 corporations, or agencies of the Department such sums as he
 2 may deem necessary, to be available only in an emergency
 3 which threatens the livestock or poultry industry of the
 4 country, and any unexpended balances of funds transferred
 5 under this head in the next preceding fiscal year shall be
 6 merged with such transferred amounts: *Provided*, That this
 7 appropriation shall be subject to applicable provisions con-
 8 tained in the item "Salaries and expenses, Agricultural Re-
 9 search Service".

10 EXTENSION SERVICE

11 COOPERATIVE EXTENSION WORK, PAYMENTS AND

12 EXPENSES

13 Payments to States and Puerto Rico: For payments for
 14 cooperative agricultural extension work under the Smith-
 15 Lever Act, as amended by the Act of June 26, 1953 (7
 16 U.S.C. 341-348), and the Act of August 11, 1955 (7
 17 U.S.C. 347a), \$57,220,000; and payments and contracts
 18 for such work under section 204(b)-205 of the Agricul-
 19 tural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,-
 20 570,000; in all, \$58,790,000: *Provided*, That funds hereby
 21 appropriated pursuant to section 3(c) of the Act of June 26,
 22 1953, shall not be paid to any State or Puerto Rico prior to
 23 availability of an equal sum from non-Federal sources for
 24 expenditure during the current fiscal year.

25 Retirement costs for extension agents: For cost of em-

1 ployer's share of Federal retirement for cooperative extension
2 employees, \$6,260,000.

3 Penalty mail: For costs of penalty mail for cooperative
4 extension agents and State extension directors, \$2,490,000.

5 Federal Extension Service: For administration of the
6 Smith-Lever Act, as amended by the Act of June 26, 1953
7 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7
8 U.S.C. 347a), and extension aspects of the Agricultural
9 Marketing Act of 1946 (7 U.S.C. 1621-1627), and to co-
10 ordinate and provide program leadership for the extension
11 work of the Department and the several States and insular
12 possessions, \$2,452,000.

13 FARMER COOPERATIVE SERVICE

14 SALARIES AND EXPENSES

15 For necessary expenses to carry out the Act of July 2,
16 1926 (7 U.S.C. 451-457), \$657,000.

17 SOIL CONSERVATION SERVICE

18 CONSERVATION OPERATIONS

19 For necessary expenses for carrying out the provisions
20 of the Act of April 27, 1935 (16 U.S.C. 590a-590f),
21 including preparation of conservation plans and establish-
22 ment of measures to conserve soil and water (including
23 farm irrigation and land drainage and such special measures
24 as may be necessary to prevent floods and the siltation of
25 reservoirs) : operation of conservation nurseries: classifica-

1 tion and mapping of soils; dissemination of information;
2 purchase and erection or alteration of permanent buildings;
3 and operation and maintenance of aircraft, \$89,725,000:
4 *Provided*, That the cost of any permanent building pur-
5 chased, erected, or as improved, exclusive of the cost of
6 constructing a water supply or sanitary system and connect-
7 ing the same to any such building and with the exception of
8 buildings acquired in conjunction with land being purchased
9 for other purposes, shall not exceed \$2,500, except for eight
10 buildings to be constructed or improved at a cost not to ex-
11 ceed \$15,000 per building and except that alterations or im-
12 provements to other existing permanent buildings costing
13 \$2,500 or more may be made in any fiscal year in an amount
14 not to exceed \$500 per building: *Provided further*, That no
15 part of this appropriation shall be available for the construc-
16 tion of any such building on land not owned by the Govern-
17 ment: *Provided further*, That no part of this appropriation
18 may be expended for soil and water conservation operations
19 under the Act of April 27, 1935 (16 U.S.C. 590a-590f),
20 in demonstration projects: *Provided further*, That not to
21 exceed \$5,000 may be used for employment pursuant to the
22 second sentence of section 706 (a) of the Organic Act of
23 1944 (5 U.S.C. 574), as amended by section 15 of the Act
24 of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That

1 qualified local engineers may be temporarily employed at per
2 diem rates to perform the technical planning work of the
3 service.

4 WATERSHED PROTECTION

5 For expenses necessary to conduct surveys, investiga-
6 tions, and research and to carry out preventive measures, in-
7 cluding, but not limited to, engineering operations, methods
8 of cultivation, the growing of vegetation, and changes in use
9 of land, in accordance with the Watershed Protection and
10 Flood Prevention Act, approved August 4, 1954, as
11 amended (16 U.S.C. 1001-1008), and the provisions of the
12 Act of April 27, 1935 (16 U.S.C. 590a-f), to remain avail-
13 able until expended, \$53,787,000, with which shall be
14 merged the unexpended balances of funds heretofore appro-
15 priated or transferred to the Department for watershed pro-
16 tection purposes: *Provided*, That not to exceed \$100,000
17 may be used for employment pursuant to the second sen-
18 tence of section 706 (a) of the Organic Act of 1944 (5
19 U.S.C. 574), as amended by section 15 of the Act of
20 August 2, 1946 (5 U.S.C. 55a): *Provided further*,
21 That not to exceed \$2,500,000, together with the unobligated
22 balance of funds previously appropriated for loans and re-
23 lated expense, shall be available for such purposes.

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 74 Stat. 131), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), to remain available until expended, \$25,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

1 GREAT PLAINS CONSERVATION PROGRAM

2 For necessary expenses to carry into effect a program of
3 conservation in the Great Plains area, pursuant to section 16
4 (b) of the Soil Conservation and Domestic Allotment Act,
5 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
6 \$10,168,000, to remain available until expended.

7 ECONOMIC RESEARCH SERVICE

8 SALARIES AND EXPENSES

9 For necessary expenses of the Economic Research Serv-
10 ice in conducting economic research and service relating to
11 agricultural production, marketing, and distribution, as
12 authorized by the Agricultural Marketing Act of 1946 (7
13 U.S.C. 1621-1627), and other laws, including economics of
14 marketing; analyses relating to farm prices, income and
15 population, and demand for farm products, use of resources
16 in agriculture, adjustments, costs and returns in farming,
17 and farm finance; and for analyses of supply and demand for
18 farm products in foreign countries and their effect on pros-
19 pects for United States exports, progress in economic de-
20 velopment and its relation to sales of farm products, assembly
21 and analysis of agricultural trade statistics and analysis of in-
22 ternational financial and monetary programs and policies as
23 they affect the competitive positions of United States farm
24 products; \$9,049,000: *Provided*, That not less than

1 \$350,000 of the funds contained in this appropriation shall
2 be available to continue to gather statistics and conduct a
3 special study on the price spread between the farmer and
4 consumer: *Provided further*, That not to exceed \$75,000
5 of the appropriation shall be available for employment pur-
6 suant to the second sentence of section 706 (a) of the Organic
7 Act of 1944 (5 U.S.C. 574) as amended by section 15 of
8 the Act of August 2, 1946 (5 U.S.C. 55a) : *Provided fur-*
9 *ther*, That not less than \$145,000 of the funds contained in
10 this appropriation shall be available for analysis of statistics
11 and related facts on foreign production and full and complete
12 information on methods used by other countries to move farm
13 commodities in world trade on a competitive basis.

14 STATISTICAL REPORTING SERVICE

15 SALARIES AND EXPENSES

16 For necessary expenses of the Statistical Reporting
17 Service in conducting statistical reporting and service work,
18 including crop and livestock estimates, statistical coordina-
19 tion and improvements, and marketing surveys, as author-
20 ized by the Agricultural Marketing Act of 1946 (7 U.S.C.
21 1621-1627) and other laws, \$8,688,000: *Provided*, That
22 no part of the funds herein appropriated shall be available
23 for any expense incident to publishing estimates of apple
24 production for other than the commercial crop.

1 AGRICULTURAL MARKETING SERVICE

2 MARKETING RESEARCH AND SERVICE

3 For expenses necessary to carry on research and service
4 to improve and develop marketing and distribution relating
5 to agriculture as authorized by the Agricultural Marketing
6 Act of 1946 (7 U.S.C. 1621-1627) and other laws, includ-
7 ing the administration of marketing regulatory acts con-
8 nected therewith: *Provided*, That appropriations hereunder
9 shall be available pursuant to 5 U.S.C. 565a for the con-
10 struction, alteration, and repair of buildings and improve-
11 ments, but unless otherwise provided, the cost of erecting
12 any one building shall not exceed \$15,000, except for two
13 buildings to be constructed or improved at a cost not to
14 exceed \$30,000 each, and the cost of altering any one build-
15 ing during the fiscal year shall not exceed \$5,000 or 5 per
16 centum of the cost of the building, whichever is greater:

17 Marketing research: For research and development re-
18 lating to agricultural marketing and distribution, including
19 related cost and efficiency evaluations, \$4,515,000;

20 Marketing services: For services relating to agricul-
21 tural marketing and distribution, for carrying out regula-
22 tory acts connected therewith, and for administration
23 and coordination of payments to States, \$33,187,000, in-
24 cluding not to exceed \$25,000 for employment at rates not
25 to exceed \$50 per diem, except for employment in rate cases

1 at not to exceed \$100 per diem, pursuant to the second sen-
2 tence of section 706 (a) of the Organic Act of 1944 (5
3 U.S.C. 574), as amended by section 15 of the Act of August
4 2, 1946 (5 U.S.C. 55a), in carrying out section 201 (a)
5 to 201 (d); inclusive, of title II of the Agricultural Adjust-
6 ment Act of 1938 (7 U.S.C. 1291) and section 203 (j) of
7 the Agricultural Marketing Act of 1946.

8 PAYMENTS TO STATES AND POSSESSIONS

9 For payments to departments of agriculture, bureaus
10 and departments of markets, and similar agencies for mar-
11 keting activities under section 204 (b) of the Agricul-
12 tural Marketing Act of 1946 (7 U.S.C. 1623 (b)),
13 \$1,400,000.

14 SCHOOL LUNCH PROGRAM

15 For necessary expenses to carry out the provisions of the
16 National School Lunch Act (42 U.S.C. 1751-1760),
17 \$125,000,000: *Provided*, That no part of this appropriation
18 shall be used for nonfood assistance under section 5 of
19 said Act: *Provided further*, That \$45,000,000 shall be
20 transferred to this appropriation from funds available under
21 section 32 of the Act of August 24, 1935, for purchase
22 and distribution of agricultural commodities and other foods
23 pursuant to section 6 of the National School Lunch Act: *Pro-*
24 *vided further*, That for the purpose of providing additional
25 assistance based on program participation and needs in the

1 States as may be necessary to aid in meeting the nutritional
2 and other requirements of section 9 of the National School
3 Lunch Act (7 U.S.C. 1758), not to exceed \$10,000,000 of
4 this appropriation shall be available for assistance under sec-
5 tions 4 and 10 of that Act (42 U.S.C. 1753-1754) under
6 such regulations as the Secretary may prescribe and without
7 regard to provisions of that Act governing the apportionment
8 of funds.

9 FOREIGN AGRICULTURAL SERVICE

10 SALARIES AND EXPENSES

11 For necessary expenses for the Foreign Agricultural
12 Service, including carrying out title VI of the Agricultural
13 Act of 1954 (7 U.S.C. 1761-1768), market development
14 activities abroad, and for enabling the Secretary to coordi-
15 nate and integrate activities of the Department in connection
16 with foreign agricultural work, including not to exceed
17 \$30,000 for representation allowances and for expenses
18 pursuant to section 8 of the Act approved August 3,
19 1956 (7 U.S.C. 1766), \$12,457,000: *Provided*, That not
20 less than \$255,000 of the funds contained in this appro-
21 priation shall be available to obtain statistics and related
22 facts on foreign production and full and complete infor-
23 mation on methods used by other countries to move farm
24 commodities in world trade on a competitive basis: *Provided*
25 *further*, That, in addition, not to exceed \$3,117,000 of the

1 funds appropriated by section 32 of the Act of August 24,
2 1935, as amended (7 U.S.C. 612c), shall be merged with
3 this appropriation and shall be available for all expenses
4 of the Foreign Agricultural Service.

5 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
6 PROGRAM)

7 For purchase of foreign currencies which accrue under
8 title I of the Agricultural Trade Development and Assistance
9 Act of 1954, as amended (7 U.S.C. 1704), for the purposes
10 of market development activities under section 104 (a) of
11 that Act, \$3,444,000, to remain available until expended:
12 *Provided*, That funds appropriated herein shall be used to
13 purchase such foreign currencies as the Department deter-
14 mines are needed and can be used most effectively to carry
15 out the purposes of this paragraph, and such foreign curren-
16 cies shall, pursuant to the provisions of section 104 (a), be
17 set aside for sale to the Department before foreign currencies
18 which accrue under said title I are made available for other
19 United States uses.

20 COMMODITY EXCHANGE AUTHORITY

21 SALARIES AND EXPENSES

22 For necessary expenses to carry into effect the pro-
23 visions of the Commodity Exchange Act, as amended (7
24 U.S.C. 1-17a), \$1,000,000.

1 COMMODITY STABILIZATION SERVICE

2 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

3 For necessary expenses to formulate and carry out
4 acreage allotment and marketing quota programs pursu-
5 ant to provisions of title III of the Agricultural Adjust-
6 ment Act of 1938, as amended (7 U.S.C. 1301-1393),
7 \$44,098,000, of which not more than \$7,125,000 shall be
8 transferred to the appropriation account "Administrative ex-
9 penses, section 392, Agricultural Adjustment Act of 1938".

10 SUGAR ACT PROGRAM

11 For necessary expenses to carry into effect the pro-
12 visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
13 \$78,000,000, to remain available until June 30 of the next
14 succeeding fiscal year: *Provided*, That expenditures (in-
15 cluding transfers) from this appropriation for other than
16 payments to sugar producers shall not exceed \$2,350,000.

17 AGRICULTURAL CONSERVATION PROGRAM

18 For necessary expenses to carry into effect the program
19 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
20 Conservation and Domestic Allotment Act, approved
21 February 29, 1936, as amended (16 U.S.C. 590g-590 (o),
22 590p (a), and 590q), including not to exceed \$6,000 for
23 the preparation and display of exhibits, including such dis-
24 plays at State, interstate, and international fairs within the
25 United States, \$238,000,000, to remain available until De-

1 cember 31 of the next succeeding fiscal year for compliance
2 with the program of soil-building and soil- and water-con-
3 serving practices authorized under this head in the Depart-
4 ment of Agriculture and Farm Credit Administration
5 Appropriation Act, 1961, carried out during the period
6 July 1, 1960, to December 31, 1961, inclusive: *Provided*,
7 That not to exceed \$29,100,000 of the total sum provided
8 under this head shall be available during the current fiscal
9 year for administrative expenses for carrying out such pro-
10 gram, the cost of aerial photographs, however, not to be
11 charged to such limitation; but not more than \$5,750,000
12 shall be transferred to the appropriation account "Ad-
13 ministrative expenses, section 392, Agricultural Adjustment
14 Act of 1938": *Provided further*, That none of the funds
15 herein appropriated shall be used to pay the salaries or ex-
16 penses of any regional information employees or any State
17 information employees, but this shall not preclude the
18 answering of inquiries or supplying of information at the
19 county level to individual farmers: *Provided further*, That
20 such amounts shall be available for administrative expenses
21 in connection with the formulation and administration of
22 the 1962 program of soil-building and soil- and water-
23 conserving practices, under the Act of February 29, 1936,
24 as amended (amounting to \$250,000,000, including admin-
25 istration, and no participant shall receive more than \$2,500,

1 except where the participants from two or more farms or
2 ranches join to carry out approved practices designed to
3 conserve or improve the agricultural resources of the com-
4 munity) : *Provided further*, That no change shall be made
5 in such 1962 program which will have the effect in any
6 county of restricting eligibility requirements or cost-sharing
7 on practices included in either the 1958 or the 1959 pro-
8 grams, unless such change shall have been recommended by
9 the county committee and approved by the State committee:
10 *Provided further*, That not to exceed 5 per centum of the
11 allocation for the 1962 agricultural conservation program
12 for any county may, on the recommendation of such county
13 committee and approval of the State committee, be withheld
14 and allotted to the Soil Conservation Service for services of
15 its technicians in formulating and carrying out the agricul-
16 tural conservation program in the participating counties, and
17 shall not be utilized by the Soil Conservation Service for any
18 purpose other than technical and other assistance in such
19 counties, and in addition, on the recommendation of such
20 county committee and approval of the State committee, not
21 to exceed 1 per centum may be made available to any other
22 Federal, State, or local public agency for the same purpose
23 and under the same conditions: *Provided further*, That for
24 the 1962 program \$2,500,000 shall be available for technical

1 assistance in formulating and carrying out agricultural con-
2 servation practices and \$1,000,000 shall be available for
3 conservation practices related directly to flood prevention
4 work in approved watersheds: *Provided further*, That such
5 amounts shall be available for the purchase of seeds, ferti-
6 lizers, lime, trees, or any other farming material, or any
7 soil-terracing services, and making grants thereof to agricul-
8 tural producers to aid them in carrying out farming practices
9 approved by the Secretary under programs provided for
10 herein: *Provided further*, That no part of any funds avail-
11 able to the Department, or any bureau, office, corporation, or
12 other agency constituting a part of such Department, shall
13 be used in the current fiscal year for the payment of salary
14 or travel expenses of any person who has been convicted of
15 violating the Act entitled "An Act to prevent pernicious
16 political activities", approved August 2, 1939, as amended,
17 or who has been found in accordance with the provisions of
18 title 18, United States Code, section 1913, to have violated
19 or attempted to violate such section which prohibits the use
20 of Federal appropriations for the payment of personal serv-
21 ices or other expenses designed to influence in any manner
22 a Member of Congress to favor or oppose any legislation or
23 appropriation by Congress except upon request of any Mem-
24 ber or through the proper official channels.

1 SPECIAL AGRICULTURAL CONSERVATION PROGRAM

2 For necessary administrative expenses to carry into
3 effect a special agricultural conservation program pursuant
4 to section 16(c) of the Soil Conservation and Domestic
5 Allotment Act, as added by section 2 of the Act of March 22,
6 1961, \$15,000,000.

7 CONSERVATION RESERVE PROGRAM

8 For necessary expenses to carry out a conservation re-
9 serve program as authorized by subtitles B and C of the
10 Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and
11 1816), and to carry out liquidation activities for the acre-
12 age reserve program, to remain available until expended,
13 \$300,000,000, with which may be merged the unexpended
14 balances of funds heretofore appropriated for soil bank pro-
15 grams: *Provided*, That not to exceed \$12,500,000 shall
16 be available for administrative expenses, of which not less
17 than \$10,425,000 may be transferred to the appropria-
18 tion account "Local administration, section 388, Agricul-
19 tural Adjustment Act of 1938": *Provided further*, That
20 no part of these funds shall be paid on any contract which
21 is illegal under the law due to the division of lands for
22 the purpose of evading limits on annual payments to
23 participants.

1 FEDERAL CROP INSURANCE CORPORATION

2 OPERATING AND ADMINISTRATIVE EXPENSES

3 For operating and administrative expenses, \$6,561,000.

4 RURAL ELECTRIFICATION ADMINISTRATION

5 To carry into effect the provisions of the Rural Electri-
6 fication Act of 1936, as amended (7 U.S.C. 901-924),
7 as follows:

8 LOAN AUTHORIZATIONS

9 For loans in accordance with said Act, and for carry-
10 ing out the provisions of section 7 thereof, to be borrowed
11 from the Secretary of the Treasury in accordance with the
12 provisions of section 3 (a) of said Act, as follows: Rural
13 electrification program, \$125,000,000; and rural telephone
14 program, \$120,000,000; and additional amounts, not to
15 exceed \$70,000,000 for the rural electrification program
16 and \$30,000,000 for the rural telephone program, may be
17 borrowed under the same terms and conditions to the ex-
18 tent that such amount is required during the fiscal year
19 1962 under the then existing conditions for the expeditious
20 and orderly development of the rural electrification and
21 telephone programs.

1 SALARIES AND EXPENSES

2 For administrative expenses, including not to exceed
3 \$500 for financial and credit reports, and not to exceed
4 \$150,000 for employment pursuant to the second sentence
5 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
6 574), as amended by section 15 of the Act of August 2,
7 1946 (5 U.S.C. 55a), \$10,024,000.

8 FARMERS HOME ADMINISTRATION

9 To carry into effect the provisions of titles I, II, and
10 the related provisions of title IV of the Bankhead-Jones
11 Farm Tenant Act, as amended (7 U.S.C. 1000-1031); the
12 Farmers Home Administration Act of 1946 (7 U.S.C. 1001,
13 note; 31 U.S.C. 82h; 12 U.S.C. 371; 35 D.C. Code 535;
14 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U.S.C.
15 436-439); the Act of August 28, 1937, as amended (16
16 U.S.C. 590r-590x-3), for the development of facilities for
17 water storage and utilization in the arid and semiarid areas
18 of the United States; the provisions of title V of the Hous-
19 ing Act of 1949, as amended (42 U.S.C. 1471-1483), re-
20 lating to financial assistance for farm housing; the Rural
21 Rehabilitation Corporation Trust Liquidation Act, approved
22 May 3, 1950 (40 U.S.C. 440-444); the items "Loans to
23 farmers, 1948 flood damage" in the Act of June 25, 1948
24 (62 Stat. 1038), and "Loans to farmers, property damage"
25 in the Act of May 24, 1949 (63 Stat. 82); the collecting

1 and servicing of credit sales and development accounts in
2 water conservation and utilization projects (53 Stat. 685,
3 719), as amended and supplemented (16 U.S.C. 590y, z—1
4 and z—10); and the Act to direct the Secretary of Agri-
5 culture to convey certain mineral interests, approved Sep-
6 tember 6, 1950 (7 U.S.C. 1033–1039), as follows:

7 LOAN AUTHORIZATIONS

8 For loans (including payments in lieu of taxes and taxes
9 under section 50 of the Bankhead-Jones Farm Tenant Act,
10 as amended, and advances incident to the acquisition and
11 preservation of security of obligations under the foregoing
12 several authorities, except that such advances under title V
13 of the Housing Act of 1949, as amended, shall be made from
14 funds obtained under section 511 of that Act, as amended):
15 Title I and section 43 of title IV of the Bankhead-Jones
16 Farm Tenant Act, as amended, \$31,900,000, of which not to
17 exceed \$2,500,000 may be distributed to States and terri-
18 tories without regard to farm population and prevalence
19 of tenancy, in addition to the amount otherwise distributed
20 thereto, for loans in reclamation projects and to entrymen on
21 unpatented public lands; title II of the Bankhead-Jones Farm
22 Tenant Act, as amended, \$225,000,000; the Act of August
23 28, 1937, as amended, \$3,000,000: *Provided*, That not to
24 exceed the foregoing several amounts shall be borrowed in
25 one account from the Secretary of the Treasury in accord-

1 ance with the provisions set forth under this head in the
2 Department of Agriculture Appropriation Act, 1952: *Pro-*
3 *vided further*, That an additional amount, not to exceed
4 \$25,000,000, may be borrowed under the same terms and
5 conditions to the extent that such amount is required during
6 fiscal year 1962 under the then existing conditions for the
7 expeditious and orderly conduct of the loan program under
8 title II of the Bankhead-Jones Farm Tenant Act, as
9 amended.

10 SALARIES AND EXPENSES

11 For making, servicing, and collecting loans and insured
12 mortgages, the servicing and collecting of loans made under
13 prior authority, the liquidation of assets transferred to Farm-
14 ers Home Administration, and other administrative expenses,
15 \$33,017,000, together with a transfer of not to exceed
16 \$1,050,000 of the fees and administrative expense charges
17 made available by subsections (d) and (e) of section 12
18 of the Bankhead-Jones Farm Tenant Act, as amended (7
19 U.S.C. 1005 (b)), and section 10 (c) of the Act of August
20 28, 1937, as amended.

21 OFFICE OF THE GENERAL COUNSEL

22 SALARIES AND EXPENSES

23 For necessary expenses, including payment of fees or
24 dues for the use of law libraries by attorneys in the field
25 service, \$3,650,000.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For expenses of the Office of the Secretary of Agriculture; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, \$3,096,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by the Administrative Procedures Act (5 U.S.C. 1001).

OFFICE OF INFORMATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,584,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the

1 Senators, Representatives, and Delegates in Congress, as
2 they shall direct (7 U.S.C. 417), and not less than two
3 hundred and thirty-three thousand and fifty copies for the
4 use of the Senate and House of Representatives of part 2
5 of the annual report of the Secretary (known as the Year-
6 book of Agriculture) as authorized by section 73 of the
7 Act of January 12, 1895 (44 U.S.C. 241): *Provided*,
8 That in the preparation of motion pictures or exhibits by
9 the Department, not exceeding a total of \$10,000 may be
10 used for employment pursuant to the second sentence of
11 section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574),
12 as amended by section 15 of the Act of August 2, 1946
13 (5 U.S.C. 55a).

14 LIBRARY

15 SALARIES AND EXPENSES

16 For necessary expenses, including dues for library mem-
17 bership in societies or associations which issue publications
18 to members only or at a price to members lower than to sub-
19 scribers who are not members, \$1,000,000.

1 TITLE II—FOREIGN ASSISTANCE PROGRAMS

2 PUBLIC LAW 480

3 For expenses during fiscal year 1962, not otherwise
4 recoverable, under the Agricultural Trade Development and
5 Assistance Act of 1954, as amended (7 U.S.C. 1701–1709,
6 1721–1724, 1731–1736), to remain available until expended,
7 as follows: (1) Sale of surplus agricultural commodities for
8 foreign currencies pursuant to title I of said Act, \$1,250,-
9 451,000; (2) commodities disposed of for emergency famine
10 relief to friendly peoples pursuant to title II of said Act,
11 \$140,868,000; and (3) long-term supply contracts pursuant
12 to title IV of said Act, \$13,000,000.

13 INTERNATIONAL WHEAT AGREEMENT

14 For expenses during fiscal year 1962 under the Interna-
15 tional Wheat Agreement Act of 1949, as amended (7 U.S.C.
16 1641–1642), \$70,681,000, to remain available until ex-
17 pended.

18 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

19 For expenses during fiscal year 1962 related to strategic
20 and other materials acquired as a result of barter or exchange

1 of agricultural commodities or products and transferred to
2 the supplemental stockpile pursuant to Public Law 540,
3 Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000,
4 to remain available until expended.

5 TITLE III—CORPORATIONS

6 The following corporations and agencies are hereby
7 authorized to make such expenditures, within the limits of
8 funds and borrowing authority available to each such cor-
9 poration or agency and in accord with law, and to make
10 such contracts and commitments without regard to fiscal
11 year limitations as provided by section 104 of the Govern-
12 ment Corporation Control Act, as amended, as may be neces-
13 sary in carrying out the programs set forth in the budget
14 for the fiscal year 1962 for such corporation or agency, ex-
15 cept as hereinafter provided:

16 FEDERAL CROP INSURANCE CORPORATION FUND

17 Not to exceed \$2,830,000 of administrative and operat-
18 ing expenses may be paid from premium income.

19 COMMODITY CREDIT CORPORATION

20 RESTORATION OF CAPITAL IMPAIRMENT

21 To partially restore the capital impairment of the Com-
22 modity Credit Corporation determined by the appraisal of

1 June 30, 1960, pursuant to section 1 of the Act of March
2 8, 1938, as amended (15 U.S.C. 713a-1), \$1,017,610,000.

3 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
4 FOR COSTS OF FOREIGN ASSISTANCE AND OTHER
5 SPECIAL ACTIVITIES

6 To reimburse the Commodity Credit Corporation for
7 authorized unrecovered costs through June 30, 1961 (in-
8 cluding interest through date of recovery), as follows: (1)
9 \$88,790,000 under the International Wheat Agreement
10 Act of 1949, as amended (7 U.S.C. 1641-1642); (2)
11 \$255,685,000 for commodities disposed of for emergency
12 famine relief to friendly peoples pursuant to title II of the
13 Act of July 10, 1954, as amended (7 U.S.C. 1703, 1721-
14 1724); (3) \$1,353,000,000 for the sale of surplus agri-
15 cultural commodities for foreign currencies pursuant to title
16 I of the Act of July 10, 1954, as amended (7 U.S.C.
17 1701-1709); (4) \$13,000 for grain made available to
18 the Secretary of the Interior to prevent crop damage by
19 migratory waterfowl pursuant to the Act of July 3, 1956
20 (7 U.S.C. 442-445); (5) \$163,163,000 for strategic and
21 other materials acquired by the Commodity Credit Cor-
22 poration as a result of barter or exchange of agricultural

1 commodities or products and transferred to the supplemental
2 stockpile pursuant to Public Law 540, Eighty-fourth Con-
3 gress (7 U.S.C. 1856) ; (6) \$1,264,000 for transfers to the
4 appropriation "Marketing research and service" pursuant
5 to the Act of August 31, 1951 (7 U.S.C. 414a), for grad-
6 ing tobacco and classing cotton without charge to pro-
7 ducers, as authorized by law (7 U.S.C. 473a, 511d) :
8 *Provided*, That the appropriations provided in this para-
9 graph shall be immediately available: *Provided further*,
10 That the unexpended balances of funds heretofore provided
11 for the various purposes under this head may remain avail-
12 able until expended for the purposes for which appropriated
13 and may be merged with the funds provided in this
14 paragraph.

15 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
16 FOR COSTS OF SPECIAL MILK PROGRAM

17 To reimburse the Commodity Credit Corporation for
18 amounts advanced for the fiscal year beginning July 1, 1960,
19 for the special milk program for children pursuant to the Act
20 of July 1, 1958, as amended (72 Stat. 276; 74 Stat. 84-
21 85), \$90,000,000.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$47,500,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

1 TITLE IV—RELATED AGENCIES

2 FARM CREDIT ADMINISTRATION

3 LIMITATION ON ADMINISTRATIVE EXPENSES

4 Not to exceed \$2,590,000 (from assessments collected
5 from farm credit agencies) shall be obligated during the cur-
6 rent fiscal year for administrative expenses.

7 FEDERAL FARM MORTGAGE CORPORATION FUND

8 The Federal Farm Mortgage Corporation is authorized
9 to make such expenditures, within available funds and in
10 accordance with law, as may be necessary to liquidate its
11 assets: *Provided*, That funds realized from the liquidation
12 of assets which are determined by the Board of Directors
13 to be in excess of the requirements for expenses of liquida-
14 tion shall be declared as dividends which shall be paid into
15 the general fund of the Treasury.

16 DEPARTMENT OF INTERIOR

17 GRAIN FOR MIGRATORY WATERFOWL

18 For expenses of supplying grain to the Secretary of the
19 Interior to prevent crop damage by migratory waterfowl pur-
20 suant to the Act of July 3, 1956 (7 U.S.C. 442–445),
21 \$35,000, to remain available until expended.

22 TITLE V—GENERAL PROVISIONS

23 SEC. 501. Within the unit limit of cost fixed by law, ap-
24 propriations and authorizations made for the Department
25 under this Act shall be available for the purchase, in addition

1 to those specifically provided for, of not to exceed three
2 hundred and ninety-eight passenger motor vehicles, of which
3 three hundred and eighty-five shall be for replacement only,
4 and for the hire of such vehicles.

5 SEC. 502. Provisions of law prohibiting or restricting the
6 employment of aliens shall not apply to employment under
7 the appropriation for the Foreign Agricultural Service.

8 SEC. 503. Funds available to the Department of Agri-
9 culture shall be available for uniforms or allowances therefor
10 as authorized by the Act of September 1, 1954, as amended
11 (5 U.S.C. 2131).

12 SEC. 504. No part of the funds appropriated by this Act
13 shall be used for the payment of any officer or employee of
14 the Department who, as such officer or employee, or on be-
15 half of the Department or any division, commission, or
16 bureau thereof, issues, or causes to be issued, any prediction,
17 oral or written, or forecast, except as to damage threatened
18 or caused by insects and pests, with respect to future prices
19 of cotton or the trend of same.

20 SEC. 505. Except to provide materials required in or
21 incident to research or experimental work where no suitable
22 domestic product is available, no part of the funds appro-
23 priated by this Act shall be expended in the purchase of
24 twine manufactured from commodities or materials produced
25 outside of the United States.

1 SEC. 506. Not less than \$1,500,000 of the appropria-
2 tions of the Department for research and service work
3 authorized by the Acts of August 14, 1946, July 28, 1954,
4 and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42
5 U.S.C. 1891-1893), shall be available for contracting in
6 accordance with said Acts.

7 This Act may be cited as the "Department of Agricul-
8 ture and Related Agencies Appropriation Act, 1962".

Passed the House of Representatives June 6, 1961.

Attest:

RALPH R. ROBERTS,

Clerk.

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

JUNE 7, 1961

Read twice and referred to the Committee on Appropriations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of June 14, 1961
87th-1st, No. 99

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HIGHLIGHTS: Senate subcommittee voted to report agricultural appropriation bill. House subcommittee voted to report feed grain portion of farm bill. House committee reported bills for USDA and land-grant college centennial celebrations.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1962. The "Daily Digest" states that the subcommittee approved for full committee consideration this bill, H. R. 7444, and that the full committee will hold an executive session today to consider this bill. p. D452
2. ROADS. Continued debate on H. R. 6713, the Federal-aid highway program authorization bill. pp. 9637-40
3. TAXATION. The Finance Committee reported without amendment H. R. 7446, to provide a 1-year extension of existing corporate normal-tax rates and of certain excise-tax rates (S. Rept. 371). p. 9558
4. EDUCATIONAL EXCHANGE. The Foreign Relations Committee reported with amendments S. 1154, to provide for the improvement and strengthening of educational and cultural exchange programs (S. Rept. 373). p. 9558
5. THE RULES AND ADMINISTRATION COMMITTEE reported the following measures: p. 9558

S. Con. Res. 27, without amendment, to authorize the printing of the proceedings of the National Water Research Symposium (S. Rept. 388).

S. Res. 130, with amendment, to authorize the printing of additional copies of a report, "National Transportation Policy" (S. Rept. 389).

S. Res. 137, with amendment, to authorize the printing of two reports, "The Timber Resources of West Virginia," and "A Report on the National Forests of West Virginia" (S. Rept. 390).

S. Con. Res. 23, with amendment, to authorize the printing of additional copies of part I of hearings on migratory farm labor (S. Rept. 391).

6. AGRICULTURAL SERVICES. Both Houses received from this Department a proposed bill to authorize the Secretary of Agriculture to provide a program of agricultural services to Guam; to S. Agriculture and Forestry and H. Agriculture Committees. pp. 9557, 9700
7. LANDS. Both Houses received from GSA a proposed bill to authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the U. S. for certain of their moving expenses and losses and damages; to S. Government Operations and H. Public Works Committees. pp. 9557, 9700
8. EASEMENTS. Received from GSA a proposed bill to authorize Federal agencies to grant easements in, over, or upon real property of the U. S. under the control of such agencies; to Government Operations Committee. p. 9557
9. STOCKPILING. Received from the Joint Committee on Reduction of Nonessential Federal Expenditures a report as of April 1961 on Federal stockpile inventories including CCC commodity inventories. pp. 9558-64
10. RESEARCH; FOREIGN AFFAIRS. Sen. Bridges criticized the action of the Governing Council of the United Nations Special Fund in approving "a project which will pour \$1,157,600 into an agricultural research program in Cuba," and inserted a newspaper article discussing this matter. pp. 9572-4
11. NATURAL RESOURCES. Sen. Kefauver inserted an address by Secretary of the Interior Udall before the Tennessee River Tributaries Association discussing the importance of natural resource development. pp. 9574-5
12. SUGAR. Sen. Allott inserted an article, "Increasing Interest in Sugar," which discusses the world price, the U. S. beet sugar industry, and the world scope of the sugar industry. pp. 9617-9
13. YOUTH CONSERVATION CORPS. Sen. Humphrey inserted his statement before the Subcommittee on Employment and Labor of the Labor and Public Welfare Committee in support of the proposed Youth Conservation Corps, and said "I am confident that this Congress, with the backing of the administration, will provide for the establishment of a Youth Conservation Corps and that it will prove to be one of the wisest investments that the Congress has ever made in the future of America." pp. 9579-80
14. FOREIGN AID. Sen. Humphrey discussed the importance of our foreign aid program and said "It is my firm conviction that the United States must seek to align itself with the progressive, democratic forces in every nation that is seeking to pull itself out of the mire of ignorance and poverty." pp. 9586-9
15. CIVIL DEFENSE. Sen. Young, Ohio, said "civil defense, as it has been conducted during the past 9 years, is as obsolete, antiquated, and as useless as the flintlock muskets, the mustache cups, and the tallow dips of our forefathers." pp. 9589-90

Daily Digest

HIGHLIGHTS

Senate continued consideration of Federal-aid highway bill.

House cleared public debt reducing gift bill for the President and acted on Indiana election resolution.

Senate

Chamber Action

Routine Proceedings, pages 9555-9576

Bills Introduced: Six bills and four resolutions were introduced, as follows: S. 2075-2080; S. Con. Res. 28; and S. Res. 159-161.

Pages 9564-9565

Bills Reported: Reports were made as follows:

H.R. 7446, to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates (S. Rept. 371);

S. 1154, proposed Mutual Educational and Cultural Exchange Act of 1961, with amendments (S. Rept. 372);

S. 1380, to abolish mandatory capital punishment in the D.C., with amendments (S. Rept. 373);

S. 564, to apportion the expense of operating the Woodrow Wilson Memorial Bridge from Jones Point, Va., to Maryland (S. Rept. 374);

S. 1291, to increase from \$1 to \$2 the fee charged for learners' permits in the D.C. (S. Rept. 375);

S. 588, increasing the authorization of funds for extension of certain projects from the D.C. into Maryland, with amendments (S. Rept. 376);

S. 158, conferring upon the domestic relations branch of the D.C. municipal court jurisdiction to hear petition for adoption filed by Marie Talaferro (S. Rept. 377);

S. 558, to exempt the D.C. from paying fees in any of the D.C. courts (S. Rept. 378);

S. 559, increasing from 10 to 90 days allowable term of imprisonment for violation of D.C. traffic regulations (S. Rept. 379);

S. 1651, authorizing the D.C. Commissioners to delegate the function of approving contracts not exceeding \$100,000 (S. Rept. 380);

S. 1956, providing that the authorized strength of the D.C. Metropolitan Police force shall be not less than 3,000 officers and members (S. Rept. 381);

S. 561, increasing from \$50 to \$150 jurisdictional amount of the small claims and conciliation branch of the D.C. municipal court (S. Rept. 382);

S. Res. 156, to provide an additional \$10,000 for expenditure by the Committee on Commerce (S. Rept. 383);

S. 1644, providing for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress (S. Rept. 384);

S. Res. 131, to print additional copies of report entitled "The United States and World Trade—Challenges and Opportunities" (S. Rept. 385);

S. Res. 145, to print additional copies of a committee print entitled "Aging Americans" (S. Rept. 386);

S. Res. 157, to print the proceedings of the George W. Norris National Centennial Conference (S. Rept. 387);

S. Con. Res. 27, to print as a Senate document the proceedings of the National Water Research Symposium (S. Rept. 388);

S. Res. 130, to print additional copies of report entitled "National Transportation Policy," with amendment (S. Rept. 389);

S. Res. 137, to print as Senate documents two reports entitled "The Timber Resources of West Virginia" and "A Report on the National Forests of West Virginia," with amendment (S. Rept. 390);

S. Con. Res. 23, to print additional copies of part I of hearings on migratory labor, with amendments (S. Rept. 391);

S. Con. Res. 24, relating to the printing of publications of the Internal Security Subcommittee of the Committee on the Judiciary, with amendments (S. Rept. 392); and

S. Res. 159, 160, and 161, authorizing payment of gratuities to survivors of deceased Senate employees (no written reports).

Page 9558

Bill Referred: H.R. 7577, appropriations for fiscal year 1962 for Executive Office of the President, the Department of Commerce, and sundry agencies, which passed the House yesterday, was referred to Committee on Appropriations.

Page 9555

Bill Placed on Calendar: H.R. 7218, respecting authorized strength of the Metropolitan Police force of the D.C., was ordered to be placed on calendar.

Page 9571

President's Communication—HEW: Communication from President transmitting an amendment to the budget for fiscal year 1962, involving an increase in the amount of \$3,515,000 for the Department of Health, Education, and Welfare was received, referred to Committee on Appropriations, and ordered to be printed as S. Doc. 32.

Page 9557

Aid to Highways: Senate continued consideration of H.R. 6713, Federal-aid highway bill. Pages 9576, 9637-9640

Confirmations: The following nominations were confirmed: Ben S. Stephansky, of Illinois, to be Ambassador to Bolivia; 4 civilian; and 18 judicial nominations.

Also, by voice vote, Senate confirmed the nomination of Joseph C. Swidler, of Tennessee, to be a Member of the Federal Power Commission.

Page 9640

Nominations: Nomination of Robert M. McKinney, of New Mexico, to be Ambassador to Switzerland, and one judicial nomination, were received.

Page 9640

Program for Thursday: Senate met at noon and adjourned at 6:59 p.m. until 11 a.m. Thursday, June 15, when it will resume consideration of H.R. 6713, Federal-aid highway bill.

Pages 9629, 9640

Committee Meetings

(Committees not listed did not meet)

FARM LOANS

Committee on Agriculture and Forestry: Subcommittee on Agricultural Credit and Rural Electrification resumed its hearings on S. 1927, to clarify and simplify the lending operations of institutions regulated by the Farm Credit Administration, with further testimony from R. B. Tootell, Governor, Farm Credit Administration. Testimony was also received from Richard T. O'Connell, National Council of Farmer Cooperatives.

Hearings were adjourned subject to call of the Chair.

APPROPRIATIONS—AGRICULTURE

Committee on Appropriations: Subcommittee, in executive session, marked up and approved for full committee consideration H.R. 7444, fiscal 1962 appropriations for the Department of Agriculture, and related agencies.

The full committee will hold an executive session tomorrow to consider this bill.

APPROPRIATIONS—INDEPENDENT OFFICES

Committee on Appropriations: Subcommittee continued its hearings on H.R. 7445, fiscal 1962 appropriations for independent offices, with testimony in behalf of funds for their respective departments from Newton N.

Minow, Chairman, and Rosel H. Hyde, Robert T. Bartley, Robert E. Lee, T. A. M. Craven, Frederick W. Ford, and John S. Cross, all members, all of the Federal Communications Commission; and Jerome K. Kuykendall, Chairman, and Frederick Stueck, Vice Chairman, both of the Federal Power Commission.

Hearings continue tomorrow.

APPROPRIATIONS—LABOR-HEW

Committee on Appropriations: Subcommittee continued its hearings on H.R. 7035, fiscal 1962 appropriations for the Departments of Labor and Health, Education, and Welfare, with testimony in behalf of funds for their respective departments from William R. Curtis, Deputy Director, Bureau of Employment Security; Ewan Clague, Commissioner, Bureau of Labor Statistics; Clarence T. Lundquist, Administrator, Wage and Hour and Public Contracts Division; Beatrice McConnell, Bureau of Labor Standards; Charles Donahue, Solicitor; and James E. Dodson, Administrative Assistant Secretary, all of the Department of Labor; Frank W. McCulloch, Chairman, NLRB; Francis A. O'Neill, Jr., Chairman, National Mediation Board; and the following representatives of the Department of Health, Education, and Welfare: Boisfeuillet Jones, Special Assistant to the Secretary for Health and Medical Affairs; Kathryn D. Goodwin, Director, Bureau of Public Assistance, Social Security Administration; Wilbur J. Cohen, Assistant Secretary for Legislation; James M. Quigley, Assistant Secretary; Chester B. Lund, Director of Field Administration; and A. W. Willcox, General Counsel.

Hearings continue tomorrow.

APPROPRIATIONS—PUBLIC WORKS

Committee on Appropriations: Subcommittee concluded its hearings on fiscal 1962 budget estimates for public works, after receiving testimony from Senators Dirksen, Williams of New Jersey, Holland, and Smathers, in behalf of funds for various projects in their respective States; Senators McClellan and Fulbright and Representative Harris, on funds for Ouachita River projects, Arkansas and Louisiana; Senator Yarborough, on funds for Little Brazos River, Tex.; Senator Thurmond and Representative Rivers, of South Carolina, on funds for the Charlotte Harbor projects; Senators Miller and Hickenlooper, on funds for Little Sioux River, Iowa; and Senator Miller, on funds for bank stabilization and closure structure on the Missouri River in Iowa.

Subcommittee adjourned subject to call of the Chair.

APPROPRIATIONS—STATE DEPARTMENT

Committee on Appropriations: Subcommittee continued its hearings on H.R. 7371, fiscal 1962 appropriations for the Departments of State and Justice, and the Judiciary, with testimony in behalf of funds for his Depart

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of June 15, 1961
87th-1st, No. 100

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HIGHLIGHTS: Senate committee reported agricultural appropriation bill. Sen. Dirksen introduced and discussed bill to establish rural redevelopment research center.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1962. The Appropriations Committee reported with amendments this bill, H. R. 7444 (S. Rept. 394) (p. 9753). Attached to this Digest is a copy of the committee report, which explains the committee actions.
2. ROADS. Passed with amendments H. R. 6713, to provide for completion of the national system of interstate and defense highways. (pp. 9772-80, 9784-9803, 9805, 9807-33). Senate conferees were appointed (p. 9833). Rejected an amendment by Sen. Long, La., which would have made money in the highway trust fund available for forest and public-lands highways obligations (pp. 9829-31).
3. BUDGETING. Sen. Keating stated that he had been informed that the President had requested his staff to study the question of the item veto of appropriation bills and stated that he hoped "that this projected study by the White House will be concluded in the near future and will result in strong and active presidential support for the item veto and for other needed and important reforms in our governmental fiscal machinery." pp. 9770-1

Sen. McClellan inserted and commended a newspaper editorial, "How To Write a Better U. S. Budget," supporting enactment of legislation to provide for the establishment of a congressional Joint Committee on the Budget. pp. 9732-3

4. ECONOMIC CONDITIONS. Sen. Douglas discussed the testimony of the Council of Economic Advisers before the Joint Economic Committee on current economic conditions and the testimony of Dr. Arthur Burns criticizing the position of the Council, and inserted a statement, "An Analysis of Prof. Arthur F. Burns' Critique of the Council's Position." pp. 9833-6
5. PATENTS. Sen. Long, La., inserted an article, "The \$3 Billion a Year Giveaway, criticizing the practice of permitting private patents to industry resulting from research projects financed by the Federal Government. p. 9836
6. LEGISLATIVE PROGRAM. Sen. Humphrey announced that the agricultural appropriation and water pollution control bills will be considered next week, probably on Tues. p. 9845

HOUSE

7. APPROPRIATIONS. The Appropriations Committee was given until midnight tonight, Fri., to file a report on the fourth supplemental appropriation bill, 1961. p. 9703
8. TEXTILES. Rep. Hemphill inserted several articles, "Seeks Finest Youths -- Clemson Unveils Master Textile Education Plan," "A Terminal Case," "Cotton Executive Calls for Textile Import Quotas," and "Unemployment in the Textile Industry." pp. 9734-9
Rep. Sikes said, "It is very important -- I consider it essential -- that the State Department deal adequately with the entire textile import problem, including manmade fiber, filament, and yarn, fabrics and apparel therefrom." pp. 9741-2
9. PUBLIC LANDS. Rep. Mathias said, "The Nation must preserve farm and forest areas to provide areas for future urban expansion ... and to provide watersheds for cities' water supplies. Equally important, yet more difficult to provide, because the need is less obvious, is land for proper and adequate recreation facilities provided by forests and fields." pp. 9734-41
Received from the Interior Department a proposed bill to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, and to repeal obsolete statutes; to Interior and Insular Affairs Committee. p. 9750
10. INTERNATIONAL TRAVEL. Received the conference report on S. 610, to strengthen the domestic and foreign commerce of the U. S. by providing for the establishment of an Office of International Travel within the Department of Commerce and a Travel Advisory Board (H. Rept. 650). p. 9704, 9750
1. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 6141, to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the U. S. to clarify the application of such Act (H. Rept. 541). p. 9750
The Committee voted to report (but did not actually report) with amendments H. R. 7043, to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing. p. D464

Calendar No. 397

87TH CONGRESS }
1st Session

SENATE

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REPORT
No. 394

AGRICULTURAL AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1962

JUNE 15, 1961.—Ordered to be printed

Mr. RUSSELL, from the Committee on Appropriations, submitted the
following

REPORT

[To accompany H.R. 7444]

The Committee on Appropriations, to whom was referred the bill (H.R. 7444) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1962, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House (direct appropriations).....	\$5, 948, 466, 000
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Amount of increase by Senate committee (net).....	18, 916, 500
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Amount of bill as reported to Senate.....	5, 967, 382, 500
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Amount of appropriations, 1961.....	4, 028, 281, 100
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Amount of estimates for 1962.....	6, 089, 244, 000
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The bill as reported to the Senate:

Over the appropriations for 1961.....	1, 939, 101, 400
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Under the estimates for 1962.....	121, 861, 500
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GENERAL STATEMENT

The Senate committee bill is in the amount of \$5,967,382,500, a net increase of \$18,916,500 over the House bill, and is \$121,861,500 under the budget estimates.

The bill includes \$1,397,822,500 for regular activities, an increase of \$39,675,400 over 1961 and a decrease of \$12,012,500 under the estimates, and an increase of \$18,916,500 over the House bill.

The increase of \$1,939,101,400 over the appropriations for 1961 is due principally to an increase of \$1,600 million to place "Special activities" appropriation items on a current basis in this bill, together with increases for 1961 costs of these items over the amount carried in the bill last year.

REPORTING ON AGRICULTURAL EXPENDITURES

Most of the large appropriation items carried in the agricultural appropriation bill pertain to cost of programs having little direct benefit to the American farmer. In writing the bill this year, the Committees on Appropriations have endeavored to set out in the bill the foreign assistance expenditures authorized to be financed through the Commodity Credit Corporation, for cost of which the Corporation is later reimbursed. This year the bill carries \$1,600 million of estimated costs in fiscal 1962 of various special activities principally under Public Law 480. It also provides \$1,951,915,000 for the reimbursement of these costs in fiscal 1961, making a total of \$3,551,915,000 for 1961 costs and the estimated costs in 1962. These appropriations will assist in freeing the borrowing power of the Commodity Credit Corporation for regular price-support program activities. These expenditures under Public Law 480 program authorizations result in the accumulation of currencies abroad for later use under the Mutual Security Act.

The committee requests the Secretary of Agriculture to consult with the Director of the Bureau of the Budget with a view to having the next budget presentation delineate more clearly by programs those that are chargeable to the farm program as distinguished from foreign assistance. Prior to the submission of the next budget the Secretary of Agriculture is requested to submit a report to the committee setting forth by items the regular programs of primary benefit to agriculture as well as the foreign assistance items, with a breakdown of expenditures for each program.

PUBLIC RANGE LAND APPRAISAL

Recently, the Department of Agriculture has completed, and is now in the process of editing and publishing, a comprehensive report on "National Inventory of Soil and Water Conservation Needs". This survey was undertaken to provide the Department of Agriculture with up-to-date knowledge for carrying out soil and water conservation programs on the privately owned farm and range lands of this Nation, most of which are within organized soil conservation districts.

A similar inventory of public lands appears to have merit, provided that such a program is planned with specific objectives covering such phases as protection of range from misuse, providing better vegeta-

tive cover, water management, and related measures from which to develop an improved range management program which will bring about the full productive potential of these lands.

The committee directs the Secretaries of Agriculture and of the Interior, based upon knowledge, techniques, and data available, to initiate a trial program of range appraisal within the existing resources available to the respective Departments. In proceeding with the range study, the two cooperating Departments will utilize existing data available within their respective agencies and cooperate with State and local agencies of Government which administer lands, as well as consult with the private users of publicly owned lands.

The committee believes that within the agencies concerned the best standards, methods, and procedures can be developed and incorporated in an effective inventory of public-owned range lands.

TITLE I—REGULAR ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

RESEARCH

The committee recommends an appropriation of \$78,015,500 for various research activities conducted by this Service. This is an increase of \$1,457,500 over the House bill and is \$841,500 over the budget estimate, and an increase of \$6,782,500 over 1961.

The committee has concurred in the amounts approved in the House bill for various items for which the budget proposed increases, except for the staffing of new entomology laboratories for which it has restored the full budget estimate of \$935,000. The committee believes these are the minimum amounts which should be used for staffing of these three new research facilities during fiscal 1962. The House bill proposed a contingency research fund to meet some of the many pressing research needs of an emergency and continuing character. The committee concurs in the \$1 million fund provided in the bill.

ADDITIONAL RESEARCH NEEDS

During the course of Senate hearings, Members of Congress and witnesses representing a number of organizations made a number of meritorious proposals to strengthen existing lines of research.

The committee has carefully considered these requests and has included funds for several items which appear to be urgently needed. The amounts included involve increases over the budget and in the amounts provided in the House bill. These increases amount to \$1,457,500, and are briefly described below:

(1) \$25,000 to expand the research program on dodder, a parasitic weed causing widespread losses to seed crops.

(2) \$52,500 to accelerate the research on the cucumber beetle now causing serious damage to sweetpotato production.

(3) \$125,000 respectively, to accelerate research on sugarbeets, and to conduct engineering research on mechanical aids in the harvesting of citrus crops.

(4) \$30,000 to strengthen the research needed to cope with crown rot and bacterial diseases affecting peach production in North and South Carolina.

(5) \$40,000 to expand crops research on windbreak shrubs at Cheyenne, Wyo.

(6) \$20,000 to step up research on mushrooms.

(7) \$150,000 to accelerate research on rust strains affecting wheat, oats, and barley.

(8) \$80,000 to step up research on wheat breeding and quality studies.

(9) \$20,000 to strengthen research on potatoes, onions, and carrots.

(10) \$250,000 to accelerate research on air-sac diseases causing heavy loss to the poultry industry, the increase to be divided equally between research on broilers and on turkeys.

(11) \$100,000 to strengthen soybean breeding, basic physiology, and nodulation research.

(12) \$75,000 for entering into contract research, if feasible, with a matching program financed by the Red River Valley Potato Growers Association.

(13) \$200,000 to institute research on the southwestern range hydrology research watershed. This amount, together with \$50,000 provided by the House for similar new soil and water conservation research will provide \$250,000.

(14) \$5,000 for providing adequate housing of research machinery and equipment at Madison, S. Dak.

(15) \$10,000 for drainage research at East Franklin, Vt., which together with other funds provided in the committee recommendations for research will provide not to exceed \$30,000 additional for the experimental farm.

(16) \$150,000 to accelerate research on saltcedars and other phreatophytes for the purpose of developing cheaper and better methods of eradication.

The committee believes that the quality research work on Hard Red Spring wheat, now being done at Beltsville, Md., should be done at a central location in the Hard Red Spring wheat-producing area. The Department is requested to investigate the feasibility of entering into an agreement whereby the North Dakota State University of Agriculture and Applied Science may provide adequate space for the quality research work now being done at Beltsville, or whether space for this work is available in any other Federal facility located nearby. If suitable arrangements can be made for the location of this project in North Dakota, this work should be transferred to the North Dakota State University of Agriculture and Applied Science during this fiscal year, and the Department is authorized to expend \$100,000 for equipment at the new location and \$45,000 for the operating expenses of this program.

PLANT AND ANIMAL DISEASE AND PEST CONTROL

The committee recommends an appropriation for plant and animal disease and pest control of \$55,540,000, which is an increase of \$150,000 over the budget estimate and \$375,000 over the House bill. The committee has approved an increase of \$175,000 over the House bill for strengthening plant quarantine work at ports of entry. This is \$100,000 over the budget and an increase over 1961 of \$575,000 for this work. The committee believes it is vitally important to do everything possible to intercept insects at ports of entry rather than

be required to appropriate large sums of money for eradication programs following an outbreak in this country.

The committee has also provided an increase of \$200,000 to accelerate the cooperative program for the eradication of Sheep Seabies. In approving this increase, it is done with the understanding that State and local contributions will at least match Federal appropriations dollar for dollar.

During the hearings on the bill, officials of the Department informed the committee that the annual losses from hog cholera were estimated to run between \$50 and \$60 million. Present control programs are costing producers \$25 million per year. The officials of the Department testified that they know how to eradicate this chronic and costly disease of swine. Some States have already appropriated funds to eradicate hog cholera, but it is evident to the committee that it would be much better to have a nationwide program with full participation on a matching basis with the various States. The Secretary of Agriculture is requested to prepare and submit to the committee a complete statement within the next 60 days regarding the feasibility of initiating an eradication program, including cost estimates for the Federal share, and the cost to be matched by State and local sources.

MEAT INSPECTION

For the meat inspection program the committee recommends an appropriation of \$24,216,000, the same amount as the budget request and provided in the House bill. This amount is \$1,090,000 over the 1961 appropriation. \$415,000 of the increase is to cover mandatory pay costs, and \$675,000 is to provide 108 additional inspectors to meet increased work activity.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

The committee recommends an appropriation of \$5,265,000, which is the budget estimate, and the amount carried in the House bill for the overseas research program carried out by the Agricultural Research Service. The recommended amount is \$9,866,000 under the appropriation for 1961.

The committee has stricken out the language in the House bill for this item and inserted the same language as was carried in the 1961 Appropriation Act in order to provide the Department with first priority of available foreign currencies arising from Public Law 480 activities.

CONSTRUCTION OF RESEARCH FACILITIES

The committee has approved an appropriation of \$800,000 for construction of research facilities, the same amount as carried in the House bill. This is \$250,000 over the budget estimate and \$6,950,000 under the amount appropriated for this item for 1961. The committee has inserted a technical provision in the bill in connection with the construction of facilities at Columbia, Mo.

The committee has considered a number of requests for additional research facilities, but has taken no action to approve funds for additional construction. The Secretary of Agriculture is requested to submit reports on two items which were considered by the committee. The first item is with regard to a national electrification research

center. The Department is requested to examine into this matter as to the need, function to be performed, cost of construction, and the cost of operation thereafter; together with alternatives including whether research could be expanded in existing research locations and done by contract. If it is finally determined that a research facility is needed, the committee would like to know whether the proposed research work is of such nature that it would be feasible to divide the research effort to carry it out in two or more facilities. After this matter has been thoroughly reviewed, the committee will appreciate receiving a report on this subject, including recommendations of the Secretary on the matter.

The other item is with regard to the National Barley and Malt Laboratory at Madison, Wis. The committee requests that this facility be surveyed as to operating space and general requirements and that a comparison be made as to the number of square feet per person compared with other similar research laboratories. The committee would also like to have the Department examine into the feasibility and advisability of realining the testing work between the existing facility and other available laboratories in such a manner as to permit some of it to be done at laboratories already existing in the States which produce malting barley.

STATE EXPERIMENT STATIONS

PAYMENTS TO STATES AND PUERTO RICO

The committee recommends an appropriation of \$36,553,000, an increase of \$2 million over the budget estimate and the House bill, and an increase of \$4 million over 1961. The committee recommends that \$1 million of the \$2 million increase over the House bill be allocated by the several States to step up the research program on weed investigations. This includes the different types of weeds affecting different crops, and will include the saltcedars and other phreatophytes in the western areas. This \$1 million can be used independently by the individual States or in combination with other States through the regional research funds which are a part of this appropriation item. It is requested that the Administrator of the Agricultural Research Service check with the various States as to the amount of expenditures for weed control investigations and advise the committee of the amount now being spent in each State for this purpose.

PENALTY MAIL

An appropriation of \$250,000 for penalty mail costs is recommended.

EXTENSION SERVICE

COOPERATIVE EXTENSION WORK, PAYMENTS TO STATES

For the "Payments to States" item for cooperative extension work, the committee recommends \$59,790,000. This is an increase of \$1 million over the estimate and the amount proposed in the House bill, and an increase of \$3,212,000 over fiscal 1961. In addition \$890,000 formerly held out for allocation under the rural development program will be allocated next year to the States under the regular formula.

RETIREMENT COSTS FOR EXTENSION AGENTS

The committee recommends \$6,260,000 be appropriated to cover the Federal share of retirement costs for county extension workers. This is the amount of the estimate and the House bill, and an increase of \$299,000 over 1961.

PENALTY MAIL

For penalty mail costs authorized by law, the committee recommends an appropriation of \$2,490,000, the amount of the estimate and in the House bill. This is the same amount as was provided last year.

ADMINISTRATIVE EXPENSES, FEDERAL EXTENSION SERVICE

For the expenses of the Federal Extension Service the committee recommends an appropriation of \$2,477,000. This is an increase of \$25,000 over the House bill, and is \$23,000 under the estimate, and is an increase of \$75,000 over 1961. The committee is not earmarking any of the funds in this item, as it believes the Administrator should have leeway in determining how the money appropriated is to be spent.

FARMER COOPERATIVE SERVICE

For activities of the Farmer Cooperative Service, the committee recommends \$657,000, the amount of the budget request and the amount recommended in the House bill.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

The committee recommends that \$89,725,000 be appropriated for technical assistance to soil conservation districts and related activities. This is the amount recommended by the House and the amount requested in the budget estimate. This sum is an increase of \$1,121,000 over direct appropriations for fiscal 1961. The increased funds provide \$496,000 to staff 18 new districts, \$25,000 for rental of space, and \$600,000 to employ conservation aids and part-time personnel, for which similar provision was made last year by reappropriation of prior year balances.

WATERSHED PROTECTION

The committee recommends the full budget estimate of \$53,787,000 for watershed protection, which is the amount carried in the House bill, and an increase of \$17,062,000 over amounts appropriated last year.

The amount provided for investigation and planning of watershed work plans is \$5,500,000, an increase of \$296,000 over last year, to be used to strengthen existing planning staffs. This should provide adequate funds for this activity. Within the funds provided, an estimated \$43,077,000 will be available for the installation of works of improvement on Public Law 566 watersheds, and \$1,542,000 for similar work on the pilot watersheds.

FLOOD PREVENTION

For the flood prevention work on the 11 authorized watersheds, the committee recommends an appropriation of \$22,231,500. This is an increase of \$2,768,500 over the estimate, a decrease of \$2,768,500 under the House bill, and is \$2,661,500 over the amount appropriated last year for this item.

GREAT PLAINS CONSERVATION PROGRAM

The amount recommended is \$10,168,000, the budget estimate and the amount recommended by the House. This amount will continue the program at the current year level.

ECONOMIC RESEARCH SERVICE

The committee recommends an appropriation of \$9,364,000 for the Economic Research Service. The amount recommended provides a partial restoration of \$300,000 in the budget request and, in addition, the committee has included \$15,000 to be used in conducting economic research studies on coffee produced in the Kona district of Hawaii. The \$300,000 increase over the House bill is to be allocated by the Administrator of the agency. The funds provided are \$315,000 over 1961 appropriations, \$315,000 over the House bill, and \$169,000 under the budget request.

STATISTICAL REPORTING SERVICE

The committee recommends an appropriation of \$8,978,000 for the expenses of the Statistical Reporting Service. This is an increase of \$256,000 over the budget estimate, \$290,000 over the House bill, and \$790,000 over 1961 appropriations. The increases recommended by the committee are \$200,000 to establish a timber price reporting service and \$90,000 to expand the cattle-on-feed reports, as follows: (a) from quarterly to monthly in Colorado and Nebraska, (b) from annual estimates to quarterly reports in Alabama, Florida, and Georgia, and (c) to provide annual estimates for Maryland and New York. Within the funds provided for this appropriation item, the committee recommends that work should be undertaken to establish crop estimate reports on grapes and lemons on a cost-matching basis with the State of California.

AGRICULTURAL MARKETING SERVICE

MARKETING RESEARCH

For marketing research, the committee recommends \$4,795,000 be appropriated. This is an increase of \$280,000 over the estimate and the House bill and an increase of \$577,800 over 1961. The recommended increase consists of: (a) \$160,000 to develop plans and specifications for a research facility on a site to be obtained without cost, and to intensify the marketing research on peanuts; (b) \$60,000 to initiate a study of maintenance of quality in citrus; (c) \$40,000 to accelerate horticultural research in the packaging, handling and related problems affecting the quality of flowers after harvesting; and (d) \$20,000 to conduct a study of methods for objective gaging of maturity of apples as an aid to harvesting and quality control.

MARKETING SERVICES

The committee recommends an appropriation of \$33,370,000, which is \$75,000 over the budget estimate, \$183,000 over the House bill, and is \$3,675,100 over the appropriation for last year. The funds recommended include an increase of \$2,813,000 over last year for grading and classing activities, which heretofore have been financed on a reimbursable basis through the Commodity Credit Corporation. The bill provides the full estimate of \$185,000 increase for the administration of the Packers and Stockyards Act, making a total of \$1,893,800 for this work. The committee reaffirms its recommendations of last year that the Secretary establish a separate agency for the enforcement of the Packers and Stockyards Act reporting directly to an Assistant Secretary.

The sum of \$50,000 has been included to strengthen supervision of U.S. grain grading; and \$25,000 has been included for the continuation of the Midwest earlot meat trade reports, provided matching-cost funds are provided from State or private sources.

PAYMENTS TO STATES AND POSSESSIONS

The committee recommends an appropriation of \$1,325,000 for payments to States and possessions, an increase of \$130,000 over the budget and the appropriation for 1961, and \$75,000 under the House bill. In allocating the increase for this item, attention should be given to the cooperative matching fund program requirements in Missouri; a program for developing local grade, standards, and market reporting on coffee produced in the Kona district of Hawaii; and a program to initiate and develop marketing data and reports on livestock, dairy, and poultry products in Florida, together with similar qualifying projects of an urgent nature.

SCHOOL LUNCH PROGRAM

The Committee recommends an appropriation of \$125 million, the same as the House bill and \$5 million over the estimate. This is an increase of \$15 million over the 1961 appropriation, which shall be distributed under the regular formula. In addition, \$45 million of section 32 funds is carried in the language proviso to purchase foods for the purpose of section 6 of the School Lunch Act.

The total Federal financing and contributions to the school lunch program approximate \$335 million, of which \$170 million is authorized in this bill. There is an estimated \$95 million expenditure under the special milk program for schoolchildren, and Government-owned commodities valued at approximately \$70 million will be donated to schools for use in the program.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

The committee has approved the amount carried in the House bill of \$12,457,000 for the activities of the Foreign Agricultural Service. The amount is \$303,000 under the budget estimate and \$2,818,300 under the appropriation for 1961.

SPECIAL FOREIGN CURRENCY PROGRAM

The committee has recommended an appropriation of \$3,444,000, the amount in the House bill and the 1962 estimate which is \$21,200 under fiscal 1961. The committee has inserted in the bill a language proviso restoring the language carried last year on priority and use of foreign currency. Further, it directs that the full currency convertibility provisions in program agreements under Public Law 480 be exercised to provide maximum availability of such funds.

The committee believes that the only practical benefit to American agriculture from the Public Law 480 program is through the market development program. Other agencies of Government have repeatedly been given preference in the use of foreign currencies in spite of provisions carried in Public Law 480 authorizations setting aside specified foreign currencies for market development and research programs. The committee directs that corrective action be taken by the administration to preclude future recurrence of misallocation of these funds.

The committee recommends that the Standing Committee on Agriculture and Forestry examine this matter carefully and write into the proposed extension of authorization of Public Law 480 adequate legal safeguards.

The cooperative industry-Government market development program has resulted in successful promotion of increased exports of various U.S. agricultural products. However, there is much that remains to be done. The program should be substantially expanded in size and broadened in scope. One factor which appears to have hindered activities is that agreements under which farm and trade groups promote sales are limited to 3 years' duration. This period should be extended at least to 5 years as an incentive for such groups to increase the resources, both in funds and capable personnel, which they are putting into the program.

In the past, primary consideration seems to have been given to basic commodities. Increased emphasis needs to be given to the export promotion of nonbasic commodities such as poultry, tallow, fruits, and vegetables, which are fully competitive in the world market and which are heavily dependent on exports because they are not under price supports. We urge the Secretary of Agriculture to press this matter vigorously and report to the committee any situations where other Government agencies dealing in this area have not fully cooperated in developing export potentials for agricultural commodities.

Further, the committee believes that in the next year renewed efforts should be directed toward the introduction of poultry, tallow, fruits, vegetables, and other non-price-support commodities, on an experimental basis, into countries where there is an apparent demand for these products if the consumers in those countries were given an opportunity to purchase such products.

COMMODITY EXCHANGE AUTHORITY

The committee recommends the full budget estimate of \$1,007,000, which is an increase of \$7,000 over the House bill and \$17,000 over last year.

COMMODITY STABILIZATION SERVICE

ACREAGE ALLOTMENTS AND MARKETING QUOTAS

The committee recommends an appropriation of \$44,098,000 for the item acreage allotments and marketing quotas. This is the amount of the House bill, and is \$735,000 under the estimate and is \$500,000 over the 1961 appropriation.

SUGAR ACT PROGRAM

The committee recommends an appropriation of \$78 million for mandatory payments to producers under the Sugar Act program. The recommended amount is \$3,314,000 under the estimate and is the amount approved in the House bill. The sum recommended is \$3,500,000 over the amount appropriated in 1961, and is believed to be sufficient in view of revised estimates of sugar production.

AGRICULTURAL CONSERVATION PROGRAM

The committee recommends an appropriation of \$238 million for payments earned under the 1961 program authorization provided in the Appropriation Act, 1961. An advance authorization of \$250 million for the 1962 program is recommended. This is the amount provided in the House bill, and is \$100 million over the budget request, but is the same level at which the program has been authorized for the past several years.

The committee has also inserted language provisions requested in the budget but omitted in the House bill. Two of the provisions will simplify the management of and bring about fuller use of cost-share funds. The Department assures the committee that no change will be made in the distribution of program funds to the States. Another provision inserted will enable the 1962 program to include related wildlife conservation practices whenever these practices are included as a part of the conservation program.

SPECIAL AGRICULTURAL CONSERVATION PROGRAM

For the administration of the special agricultural conservation program for feed grains the committee recommends that \$18,500,000 be appropriated. This is an increase of \$3,500,000 over the House bill and is \$2 million under the estimate. This sum should be adequate to fulfill the minimum administrative requirements in carrying out this program.

CONSERVATION RESERVE PROGRAM

The committee recommends an appropriation of \$312 million to pay annual rental and other costs under the conservation reserve program. This sum is \$12 million over the House bill, and is \$18 million under the estimate and the amount provided last year. Based upon available carryover funds and previous experience, the committee believes this amount will be adequate.

FEDERAL CROP INSURANCE CORPORATION

The committee recommends an appropriation of \$6,561,000, the amount of the estimate and the amount proposed in the House bill,

which is the same amount as 1961. In addition, \$2,830,000 is authorized to be spent from premium income for administrative expenses. This is the amount requested in the budget and approved in the House bill, and is \$200,000 over the 1961 level. The increased funds are to meet operating costs involved in expanding the insurance program in 44 countries.

RURAL ELECTRIFICATION ADMINISTRATION

LOAN AUTHORIZATIONS

For the electric loan program, the committee recommends \$195 million regular authorization and \$50 million contingency authorization to meet the needs of qualified loan applicants. This is an increase of \$50 million over the estimate and authorizations carried in the House bill, and is an increase of \$75 million over last year's authorizations.

The committee recommends \$162,500,000 of total authorization for the telephone loan program, comprised of \$150 million of regular authorization and \$12,500,000 of contingency authorization. The total amount authorized is \$12,500,000 over the budget request and authorizations carried in the House bill.

The committee requests the Rural Electrification Administration to submit a report on the amount and purpose of each generation and major transmission loan approved by the agency.

SALARIES AND EXPENSES

For the administrative expenses for the Rural Electrification Administration, the committee recommends \$10,024,000, the amount of the estimate, the amount carried in the House bill, and the same amount as provided last year.

FARMERS' HOME ADMINISTRATION

LOAN AUTHORIZATIONS

The committee recommends loan authorizations totaling \$318 million for the lending program of the Farmers' Home Administration. These authorizations are \$51 million over authorizations available in 1961 and the authorizations requested in the budget, and are \$33,100,000 over authorizations carried in the House bill.

The specific authorizations recommended are \$40 million for farm ownership loans, an increase of \$8,100,000 over the House bill, the estimate and the authorization for last year. For farm operating loans, \$275 million is authorized, including \$37,500,000 in contingency authorization. This is an increase of \$42,900,000 over 1961, \$25 million over the House bill, and \$42,900,000 over the estimate. The authorization for soil and water conservation loans is \$3 million, the same as requested and as provided in the House bill, and the amount available for 1961.

SALARIES AND EXPENSES

The committee recommends \$33,167,000 be appropriated for administering the loan programs. This amount partially restores the budget request and is an increase of \$150,000 over the House bill.

The committee believes that in view of the increased authorizations approved over last year, this increase is warranted to strengthen field offices in order to assure prompt and careful review of loan applications and to render adequate service to outstanding loans.

OFFICE OF THE GENERAL COUNSEL

The committee has recommended approval of the budget estimate of \$3,650,000, which is the same amount as proposed in the House bill, and is an increase of \$25,000 over 1961, for additional legal work in connection with watershed loans. The committee has also inserted the language proviso proposed in the budget, but denied by the House, to provide the Secretary with contingent authority to make transfers from other appropriations, if necessary, but not to exceed 7 percent of the amount appropriated under this head. Full use of this proviso could result in an additional \$255,000 being made available to this office for such programs as, the emergency feed grain program, the food stamp plan, and the accelerated program of forest land management. The Secretary of Agriculture is cautioned to exercise this authority carefully and to provide reports to the Committee on Appropriations on amounts to be transferred, together with a statement of the necessity therefor.

OFFICE OF THE SECRETARY

The committee recommends an appropriation of \$3,103,500 for the Office of the Secretary, an increase of \$7,500 over the House bill, to partially restore the budget estimate. The increase recommended is to provide for the expenses of the National Agricultural Advisory Commission. The proposed amount is \$26,500 under the budget request and \$23,000 over the 1961 appropriation.

OFFICE OF INFORMATION

The committee recommends an appropriation of \$1,597,000 for the Office of Information. This is a partial restoration of \$13,000 over the House bill to meet increased demand for agricultural information, motion pictures, and television materials of an educational nature. The amount proposed is \$13,000 under the estimate and \$49,000 over 1961.

CENTENNIAL OBSERVANCE OF AGRICULTURE

The committee has inserted a paragraph in the bill, which was stricken in the House on a point of order, to appropriate \$100,000 for expenses in connection with the centennial observance of the establishment of the Department of Agriculture. The proposed appropriation provides \$80,000 for expenses necessary for planning and carrying out the centennial, and the funds appropriated will remain available during calendar 1962. Within the proposed amount, \$20,000 will be used for additional printing costs of the 1962 Yearbook of Agriculture. The language proviso inserted in the bill follows:

For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by

section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$100,000, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962.

LIBRARY

The committee recommends \$1,057,000, the full amount of the budget request for the agricultural library. This is an increase of \$106,000 over 1961 and \$57,000 over the House bill. The committee believes that adequate library reference materials should be available in readily usable form, and that acquisitions, cataloging, and indexing should be kept up to date for the use of research scientists and other library users of the Department.

TITLE II—FOREIGN ASSISTANCE PROGRAMS

The committee recommends an appropriation of \$1,600 million for the special activity items which deal with foreign assistance programs. The 1962 budget proposed that financing of the cost of these programs be put on a "pay-as-you-go" basis. The total amount recommended is \$109,849,000 under the budget estimates. The reduced amounts are \$60,049,000, for sales for foreign currencies under Public Law 480, and \$49,800,000 for the bartered materials program for supplemental stockpile. If the amounts recommended in the bill prove to be inadequate, additional appropriations will be required later on to reimburse the Commodity Credit Corporation for the actual costs incurred in carrying out these special activities.

The recommended appropriation of \$1,600 million will provide the Corporation with additional borrowing authority next fiscal year for use in carrying out its basic program functions.

The following table sets forth the individual items and the amounts:

	Budget request	Recommended in bill
Public Law 480:		
Sales for foreign currencies-----	\$1, 310, 500, 000	\$1, 250, 451, 000
Emergency famine relief-----	140, 868, 000	140, 868, 000
Long-term supply contracts-----	13, 000, 000	13, 000, 000
Total Public Law 480-----	1, 464, 368, 000	1, 404, 319, 000
International Wheat Agreement-----	70, 681, 000	70, 681, 000
Bartered materials for supplemental stock- pile-----	174, 800, 000	125, 000, 000
Total-----	1, 709, 849, 000	1, 600, 000, 000

TITLE III—CORPORATIONS

COMMODITY CREDIT CORPORATION

RESTORATION OF CAPITAL IMPAIRMENT

The committee recommends \$1,017,610,000 be appropriated to restore the capital impairment of the Commodity Credit Corporation for losses through June 30, 1960. This is the amount recommended in

the budget and carried in the House bill. The capital impairment for fiscal year 1960 was \$1,612,100,000, of which \$594.5 million was provided in the regular appropriation bill, 1961.

REIMBURSEMENTS OF PRIOR YEAR EXPENDITURES FOR FOREIGN ASSISTANCE AND OTHER SPECIAL ACTIVITIES

Under this head, appropriations totaling \$1,951,915,000 are recommended to reimburse the Cominodity Credit Corporation for the costs of these programs through June 30, 1961. The full budget estimate for each item is proposed. The specific items and amounts follow:

	1960 costs	1961 costs
Public Law 480:		
Sales for foreign currencies.....	\$881, 000, 000	\$1, 353, 000, 000
Emergency famine relief.....	107, 094, 000	255, 685, 000
Total, Public Law 480.....	988, 094, 000	1, 608, 685, 000
International Wheat Agreement.....	32, 572, 000	88, 790, 000
Bartered materials for supplemental stockpile.....	422, 950, 000	163, 163, 000
Grain for migratory waterfowl.....	18, 000	13, 000
Grading and classing activities.....		1, 264, 000
Special milk program.....		90, 000, 000
Total reimbursements.....	1, 443, 634, 000	1, 951, 915, 000

LIMITATION ON ADMINISTRATIVE EXPENSES

The committee recommends an administrative expense limitation for the Cominodity Credit Corporation of \$47,916,000, an increase of \$416,000 over the House bill, to partially restore the estimate. The sum recommended is \$400,000 under the estimate and is an increase of \$2,190,000 over the amount provided last year.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

The committee recommends an administrative expense limitation of \$2,590,000 for the operation of the Farm Credit Administration. This is the amount of the estimate, and the amount approved by the House, and is \$1,000 over the limitation for 1961.

DEPARTMENT OF INTERIOR

GRAIN FOR MIGRATORY WATERFOWL

The committee recommends \$35,000 for this item to pay the estimated cost of an estimated 400 tons of grain furnished pursuant to the act of July 3, 1956. This is the amount in the House bill and compares with last year's cost of \$35,165.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1961 AND ESTIMATES AND AMOUNTS RECOMMENDED IN BILL FOR 1962

TITLE I—REGULAR ACTIVITIES

Item	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in House bill for 1962	Amount recommended by Senate committee ²	Increase (+) or decrease (—) compared with—	
					Appropriations, 1961	Budget estimates, 1962
Agricultural Research Service:						
Salaries and expenses:						
Research.....	\$71,233,000	\$77,174,000	\$76,558,000	\$78,015,500	+\$6,782,500	+\$1,457,500
Plant and animal disease and pest control.....	53,970,000	55,390,000	55,165,000	55,540,000	+1,570,000	+375,000
Meat inspection.....	23,126,000	24,216,000	24,216,000	24,216,000	+1,090,000	-----
Total.....	148,329,000	156,780,000	155,939,000	157,771,500	+9,442,500	+1,832,500
Salaries and expenses (special foreign currency program).....	15,131,000	5,265,000	5,265,000	5,265,000	—9,866,000	-----
Construction of facilities.....	7,750,000	550,000	800,000	800,000	—6,950,000	-----
State experiment stations: Payments to States and Puerto Rico.....	32,553,000	34,553,000	34,553,000	36,553,000	+4,000,000	+2,000,000
Penalty mail.....	250,000	250,000	250,000	250,000	-----	-----
Total.....	32,803,000	34,803,000	34,803,000	36,803,000	+4,000,000	+2,000,000
Total, Agricultural Research Service.....	204,013,000	197,398,000	196,807,000	200,639,500	—3,373,500	+3,832,500
Extension Service:						
Payments to States and Puerto Rico.....	56,578,000	58,790,000	58,790,000	59,790,000	+3,212,000	+1,000,000
Retirement costs for extension agents.....	5,961,000	6,260,000	6,260,000	6,260,000	+299,000	-----
Penalty mail.....	2,490,000	2,490,000	2,490,000	2,490,000	-----	-----
Federal Extension Service.....	2,402,000	2,500,000	2,452,000	2,477,000	+75,000	+25,000
Total, Extension Service.....	67,431,000	70,040,000	69,992,000	71,017,000	+3,586,000	+1,025,000

Farmer Cooperative Service.....	657,000	657,000	657,000	657,000
Soil Conservation Service:				
Conservation operations.....	88,604,000	89,725,000	89,725,000	+1,121,000
Watershed protection.....	36,725,000	53,787,000	53,787,000	+17,062,000
Flood prevention.....	19,570,000	19,463,000	25,000,000	+2,231,500
Great Plains conservation program.....	10,168,000	10,168,000	10,168,000	
Total, Soil Conservation Service.....	155,067,000	173,143,000	178,680,000	+20,844,500
Economic Research Service.....	19,049,000	9,533,000	9,040,000	-315,000
Statistical Reporting Service.....	18,188,000	8,722,000	8,688,000	-790,000
Agricultural Marketing Service:				
Marketing research and service:				
Marketing research.....	14,217,200	4,515,000	4,515,000	+577,800
Marketing services.....	29,694,900	233,295,000	233,187,000	+33,370,000
Total.....	33,912,100	37,810,000	37,702,000	+38,165,000
Payments to States and possessions.....	1,195,000	1,195,000	1,400,000	+130,000
School lunch program.....	3110,000,000	3120,000,000	3125,000,000	+5,000,000
Total, Agricultural Marketing Service.....	145,107,100	159,005,000	164,102,000	+5,485,000
Foreign Agricultural Service:				
Salaries and expenses.....	1415,275,300	412,700,000	412,457,000	-303,000
Salaries and expenses (special foreign currency program).....	3,465,200	3,444,000	3,444,000	
Total, Foreign Agricultural Service.....	18,740,500	16,204,000	15,901,000	-303,000
Commodity Exchange Authority.....	990,000	1,007,000	1,000,000	+17,000
Commodity Stabilization Service:				
Acreage allotments and marketing quotas.....	43,598,000	44,833,000	44,098,000	-735,000
Sugar Act program.....	74,500,000	81,314,000	78,000,000	-3,314,000
Agricultural conservation program.....	242,000,000	238,000,000	238,000,000	-4,000,000

See footnotes at end of table, p. 21.

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE I—REGULAR ACTIVITIES—CONTINUED

Item	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in House bill for 1962	Amount recommended by Senate committee	Increase (+) or decrease (–) Senate bill compared with—	
					Appropriations, 1961	Budget estimates, 1962 House bill
Commodity Stabilization Service—Continued						
Special agricultural conservation program.....		\$20,500,000	\$15,000,000	\$18,500,000	+\$18,500,000	–\$2,000,000
Conservation reserve program.....	\$330,000,000	330,000,000	300,000,000	312,000,000	–18,000,000	–18,000,000
Total, Commodity Stabilization Service.....	690,098,000	714,647,000	675,098,000	690,598,000	+\$500,000	–24,049,000
Federal Crop Insurance Corporation: Operating and administrative expenses.....	6,561,000	6,561,000	6,561,000	6,561,000		
Rural Electrification Administration: Salaries and expenses.....	10,024,000	10,024,000	10,024,000	10,024,000		
Farmers Home Administration: Salaries and expenses.....	33,017,000	33,317,000	33,017,000	33,167,000	+\$150,000	–150,000
Office of General Counsel.....	3,625,000	3,650,000	3,650,000	3,650,000	+\$25,000	
Office of Secretary.....	3,080,500	3,130,000	3,096,000	3,103,500	+\$23,000	–26,500
Office of Information.....	1,548,000	1,610,000	1,584,000	1,597,000	+\$49,000	–13,000
Centennial observance of agriculture.....		130,000		100,000	+\$100,000	–30,000
Library.....	951,000	1,057,000	1,000,000	1,057,000	+\$106,000	
Total, regular activities.....	1,358,147,100	1,409,835,000	1,378,906,000	1,397,822,500	+\$39,675,400	–12,012,500
						+\$18,916,500

TITLE II--FOREIGN ASSISTANCE PROGRAMS

Item	Appropriations, 1961 (to date) (1961 costs)	Budget estimates, 1962 (revised) (1961 costs)	Recommended in House bill for 1962	Amount recommended by Senate committee	Increase (+) or decrease (-) compared with—		
					Appropriations, 1961	Budget estimates, 1962	House bill
Public Law 480:							
Sales for foreign currencies.....	(\$1,353,000,000)	\$1,310,500,000	\$1,250,451,000	\$1,250,451,000	+\$1,250,451,000	-\$80,049,000	-----
Emergency famine relief.....	(255,685,000)	140,868,000	140,868,000	140,868,000	+140,868,000	-----	-----
Long-term supply contracts.....	-----	13,000,000	13,000,000	13,000,000	+13,000,000	-----	-----
Total, Public Law 480.....	(1,608,685,000)	1,464,368,000	1,404,319,000	1,404,319,000	+1,404,319,000	-60,049,000	-----
International Wheat Agreement.....	(88,790,000)	70,681,000	70,681,000	70,681,000	+70,681,000	-----	-----
Bartered materials for supplemental stockpile.....	(163,163,000)	174,800,000	125,000,000	125,000,000	+125,000,000	-49,800,000	-----
Total, foreign assistance programs.....	(\$1,860,638,000)	\$1,709,849,000	\$1,600,000,000	\$1,600,000,000	+1,600,000,000	-109,849,000	-----

See footnotes at end of table, p. 21.

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE III—CORPORATIONS

Item	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in House bill for 1962	Amount recommended by Senate committee	Increase (+) or decrease (—) compared with—		
					Appropriations, 1961	Budget estimates, 1962	House bill
Federal Crop Insurance Corporation: Administrative and operating expenses.....	(\$2, 630, 000)	(\$2, 830, 000)	(\$2, 830, 000)	(\$2, 830, 000)	+	(\$200, 000)	-----
Commodity Credit Corporation:							
Restoration of capital impairment (price support and related operations).....	1, 226, 500, 000	1, 017, 610, 000	1, 017, 610, 000	1, 017, 610, 000	—	208, 890, 000	-----
Reimbursements of prior year expenditures for foreign assistance and other special activities:							
Public Law 480:	(1960 costs)	(1961 costs)	(1961 costs)	(1961 costs)			
Sales for foreign currencies.....	881, 000, 000	1, 353, 000, 000	1, 353, 000, 000	1, 353, 000, 000	+	472, 000, 000	-----
Emergency famine relief.....	107, 094, 000	255, 685, 000	255, 685, 000	255, 685, 000	+	148, 591, 000	-----
Total, Public Law 480.....	988, 094, 000	1, 608, 685, 000	1, 608, 685, 000	1, 608, 685, 000	+	620, 591, 000	-----
International Wheat Agreement.....	32, 572, 000	88, 790, 000	88, 790, 000	88, 790, 000	+	56, 218, 000	-----
Bartered materials for supplemental stockpile.....	422, 950, 000	163, 163, 000	163, 163, 000	163, 163, 000	—	259, 787, 000	-----
Grain for migratory waterfowl.....	18, 000	13, 000	13, 000	13, 000	—	5, 000	-----
Grading and classing activities.....		1, 264, 000	1, 264, 000	1, 264, 000	+	1, 264, 000	-----
Total, reimbursements.....	1, 443, 634, 000	1, 861, 915, 000	1, 861, 915, 000	1, 861, 915, 000	+	418, 281, 000	-----
Reimbursement for special milk program.....		90, 000, 000	90, 000, 000	90, 000, 000	+	90, 000, 000	-----
Administrative expense limitation.....	(45, 726, 000)	(48, 316, 000)	(47, 500, 000)	(47, 916, 000)	(+)	190, 000	(—\$416, 000)
Total, corporations.....	2, 670, 134, 000	2, 969, 525, 000	2, 969, 525, 000	2, 969, 525, 000	+	299, 391, 000	-----

Item	Appropriations, 1961 (to date)	Budget estimates, 1962 (revised)	Recommended in House bill for 1962	Amount recommended by Senate committee	Increase (+) or decrease (—) Senate bill compared with—	
					Appropriations, 1961	Budget estimates, 1962
Farm Credit Administration: Administrative expense limitation.	(\$2,589,000)	(\$2,590,000)	(\$2,590,000)	(\$2,590,000)	(+\$1,000)	
Department of Interior: Grain for migratory waterfowl.	(¹)	35,000	35,000	35,000	+35,000	
Total, related agencies.		35,000	35,000	35,000	+35,000	

SUMMARY OF THE BILL

Advance appropriations (fiscal year 1962):						
Title I—Regular activities.	\$1,358,147,100	\$1,409,885,000	\$1,378,906,000	\$1,397,822,500	+\$39,675,400	—\$12,012,500
Title II—Foreign assistance programs (to put on pay-as-you-go basis)		1,709,849,000	1,600,000,000	1,600,000,000	+1,600,000,000	—109,849,000
Title IV—Related agencies		35,000	35,000	35,000	+35,000	
Total.	1,358,147,100	3,119,719,000	2,978,941,000	2,997,857,500	+1,639,710,400	—121,861,500
Restoration of CCC funds expended for prior year operations:						
Title III:						
Price support program.	{ 1,226,500,000 (1959 costs)	1,017,610,000 (1960 costs)	1,017,610,000	1,017,610,000	—208,890,000	
Foreign assistance and other programs financed by CCC at direction of Congress.	{ 1,443,634,000 (1960 costs)	1,951,915,000 (1961 costs)	1,951,915,000	1,951,915,000	+508,281,000	
Total.	2,670,134,000	2,969,525,000	2,969,525,000	2,969,525,000	+299,391,000	
Total in bill.	4,028,281,100	6,089,244,000	5,948,466,000	5,967,382,500	+1,939,101,400	+18,916,500

¹ Adjusted for comparability to reflect changes in organization and appropriation structure.
² Includes \$2,813,000 for grading and classing activities formerly financed through Commodity Credit Corporation. \$1,294,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.
³ In addition, transfers of \$45,000,000 from sec. 32 funds provided.
⁴ In addition, transfers of \$3,117,000 from sec. 32 funds provided.

⁵ Amounts carried for comparative purposes only.
⁶ For reimbursement to Commodity Credit Corporation.
⁷ These funds for fiscal year 1962, through June 30, 1962, carried for first time as advance appropriations.
⁸ \$13,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.

Funds provided under title III

Comparative statement of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

PERMANENT APPROPRIATIONS

Item	Authorizations, 1961	Budget estimates, 1962	Increase or decrease
Agricultural Marketing Service:			
Removal of surplus agricultural commodities (sec. 32)-----			
Perishable Agricultural Commodities Act fund-----	\$319,960,723	\$337,500,000	+\$17,539,277
Total, Agricultural Marketing Service-----	670,000	670,000	
Commodity Stabilization Service: National Wool Act-----	320,630,723	338,170,000	+17,539,277
Total, permanent appropriations-----	67,189,909	59,000,000	-8,189,909
	387,820,632	397,170,000	+9,349,368

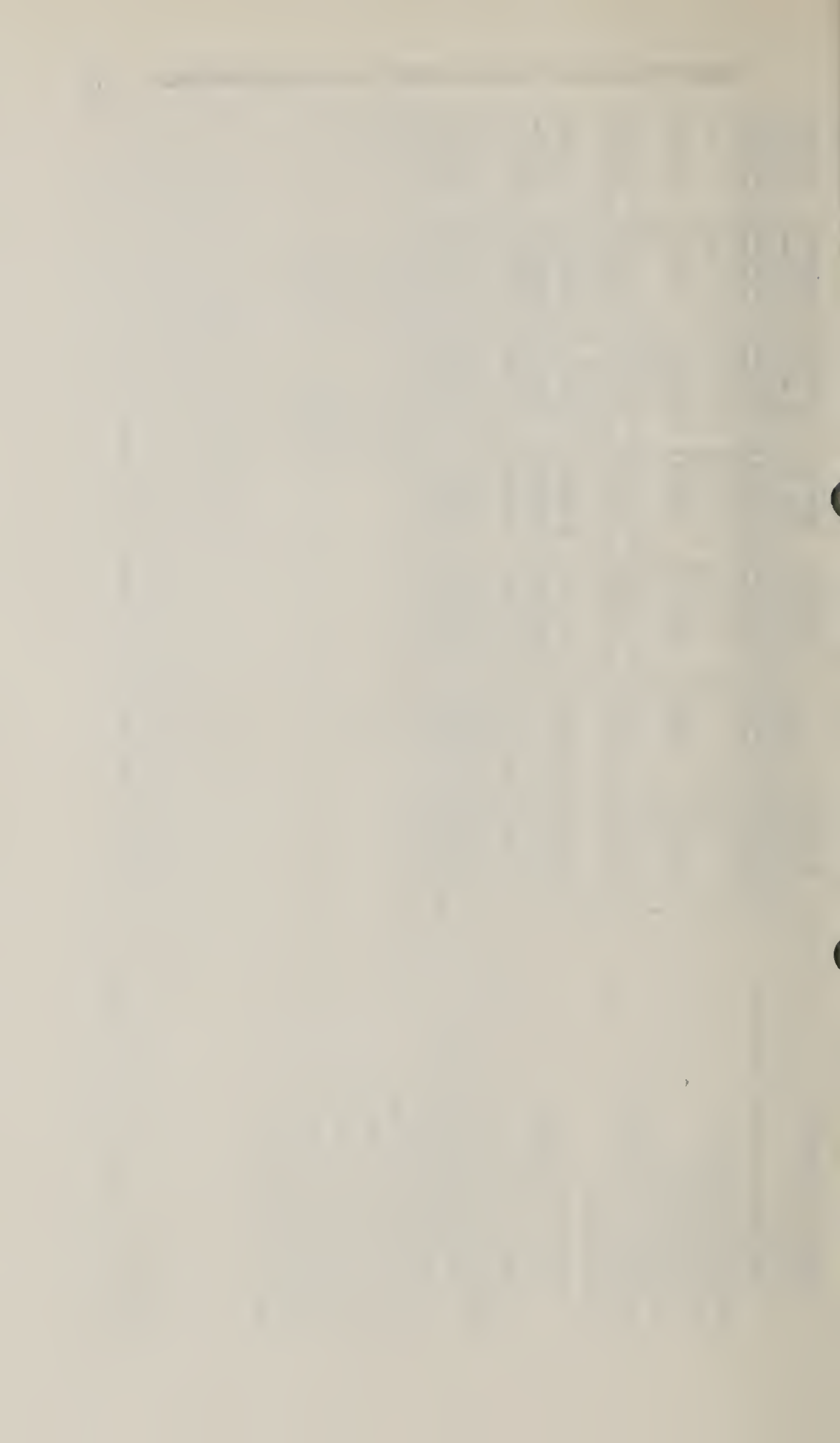
NOTE.—Amounts as estimated and shown in the January, 1961 budget document for 1962. Subject to further revision.

LOAN AUTHORIZATIONS

Item	Authoriza- tions, 1961	Budget esti- mates, 1962	Recommended in House bill for 1962	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Authoriza- tions, 1961	Budget esti- mates, 1962	House bill
Rural Electrification Administration:							
Electrification loans:							
Direct authorization-----	\$110,000,000	\$195,000,000	\$125,000,000	\$195,000,000	+\$85,000,000		+\$70,000,000
Contingency authorization-----	60,000,000		70,000,000	50,000,000	-10,000,000	+\$50,000,000	-20,000,000
Total-----	170,000,000	195,000,000	195,000,000	245,000,000	+75,000,000	+50,000,000	+50,000,000
Telephone loans:							
Direct authorization-----	80,000,000	150,000,000	120,000,000	150,000,000	+70,000,000		+30,000,000

Contingency authorization.....	60,000,000	-----	30,000,000	12,500,000	-47,500,000	+12,500,000	-17,500,000
Total.....	140,000,000	150,000,000	150,000,000	162,500,000	+22,500,000	+12,500,000	+12,500,000
Total, Rural Electrification Administration.....	310,000,000	345,000,000	345,000,000	407,500,000	+97,500,000	+62,500,000	+62,500,000
Farmers Home Administration:							
Farm ownership loans:							
Direct authorization.....	26,900,000	31,900,000	31,900,000	40,000,000	+13,100,000	+8,100,000	+8,100,000
Contingency authorization.....	5,000,000	-----	-----	-----	-5,000,000	-----	-----
Total.....	31,900,000	31,900,000	31,900,000	40,000,000	+8,100,000	+8,100,000	+8,100,000
Farm operating loans:							
Direct authorization.....	197,100,000	232,100,000	225,000,000	237,500,000	+40,400,000	+5,400,000	+12,500,000
Contingency authorization.....	35,000,000	-----	25,000,000	37,500,000	+2,500,000	+37,500,000	+12,500,000
Total.....	232,100,000	232,100,000	250,000,000	275,000,000	+42,900,000	+42,900,000	+25,000,000
Soil and water conservation loans (direct authorization).....	3,000,000	3,000,000	3,000,000	3,000,000	-----	-----	-----
Total, Farmers Home Administration.....	267,000,000	267,000,000	284,900,000	318,000,000	+51,000,000	+51,000,000	+33,100,000
Total, loan authorizations.....	577,000,000	612,000,000	629,900,000	725,500,000	+148,500,000	+113,500,000	+95,600,000

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Calendar No. 397

87TH CONGRESS
1ST SESSION

H. R. 7444

[Report No. 394]

IN THE SENATE OF THE UNITED STATES

JUNE 7, 1961

Read twice and referred to the Committee on Appropriations

JUNE 15, 1961

Reported by Mr. RUSSELL, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1962; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—REGULAR ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, and home economics, to
7 control and eradicate pests and plant and animal diseases,
8 and to perform related inspection, quarantine and regulatory
9 work, and meat inspection: *Provided*, That not to exceed
10 \$75,000 of the appropriations hereunder shall be available
11 for employment pursuant to the second sentence of section
12 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as
13 amended by section 15 of the Act of August 2, 1946 (5
14 U.S.C. 55a) : *Provided further*, That appropriations here-
15 under shall be available for the operation and maintenance
16 of aircraft and the purchase of not to exceed two, of which
17 one shall be for replacement only: *Provided further*, That
18 appropriations hereunder shall be available pursuant to title
19 5, United States Code, section 565a, for the construction,
20 alteration, and repair of buildings and improvements, but
21 unless otherwise provided, the cost of constructing any one
22 building (except headhouses connecting greenhouses) shall
23 not exceed \$15,000, except for five buildings to be con-
24 structed or improved at a cost not to exceed \$30,000 each,
25 and the cost of altering any one building during the fiscal

1 year shall not exceed \$5,000 or 5 per centum of the cost of
2 the building, whichever is greater: *Provided further*, That
3 the limitations on alterations contained in this Act shall not
4 apply to a total of ~~\$50,000~~ for conversion of animal disease
5 and parasite research facilities at Beltsville, Maryland:

6 Research: For research and demonstrations on the pro-
7 duction and utilization of agricultural products, home
8 economics, and related research and services, including ad-
9 ministration of payments to State agricultural experiment
10 stations, ~~\$76,558,000~~ \$78,015,500: *Provided*, That the
11 limitations contained herein shall not apply to replacement
12 of buildings needed to carry out the Act of April 24, 1948
13 (21 U.S.C. 113a): *Provided further*, That the Secretary of
14 Agriculture may sell the Entomology Research Laboratory
15 at Orlando, Florida, in such manner and upon such terms and
16 conditions as he deems advantageous and the proceeds of
17 such sale shall remain available until expended for the estab-
18 lishment of an entomology research laboratory: *Provided*
19 *further*, That in the establishment of such laboratory the
20 Secretary may acquire land therefor by donation or ex-
21 change: *Provided further*, That the Secretary may acquire
22 approximately thirty-five acres of land at Kerrville, Texas,
23 by donation, for research purposes;

24 Plant and animal disease and pest control: For opera-
25 tions and measures, not otherwise provided for, to control

1 and eradicate pests and plant and animal diseases and for
2 carrying out assigned inspection, quarantine, and regulatory
3 activities, as authorized by law, including expenses pursuant
4 to the Act of February 28, 1947, as amended (21 U.S.C.
5 114b-c), ~~\$55,165,000~~ \$55,540,000, of which \$1,500,000
6 shall be apportioned for use pursuant to section 3679 of
7 the Revised Statutes, as amended, for the control of out-
8 breaks of insects and plant diseases to the extent neces-
9 sary to meet emergency conditions: *Provided*, That no funds
10 shall be used to formulate or administer a brucellosis eradi-
11 cation program for fiscal year 1963 that does not require
12 minimum matching by any State of at least 40 per centum:
13 *Provided further*, That the Secretary is authorized to ac-
14 quire land for the plant pest control activities presently
15 located at Gulfport, Mississippi;

16 Meat inspection: For carrying out the provisions of
17 laws relating to Federal inspection of meat, and meat-food
18 products, and the applicable provisions of the laws relat-
19 ing to process or renovated butter, \$24,216,000.

20 Special fund: To provide for additional labor to be
21 employed under contracts and cooperative agreements to
22 strengthen the work at research installations in the field,
23 not more than \$1,000,000 of the amount appropriated under
24 this head for the fiscal year 1961 may be used by the
25 Administrator of the Agricultural Research Service in de-

1 partmental research programs in the fiscal year 1962, the
 2 amount so used to be transferred to and merged with the
 3 appropriation otherwise available under "Salaries and
 4 expenses, Research".

5 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
 6 PROGRAM)

7 For purchase of foreign curreneies which accrue under
 8 title I of the Agricultural Trade Development and Assist-
 9 ance Act of 1954, as amended (7 U.S.C. 1704), for market
 10 development research authorized by section 104(a), and for
 11 agricultural and forestry research authorized by section 104
 12 (k) of that Act, to remain available until expended, \$5,-
 13 265,000: *Provided*, That funds appropriated herein shall be
 14 used to purchase such foreign curreneies as the Department
 15 determines are needed and can be used most effectively to
 16 carry out the purposes of this paragraph, and such foreign
 17 curreneies shall, pursuant to the provisions of section 104
 18 (a), be set aside for sale to the Department before foreign
 19 curreneies which accrue under said title I are made avail-
 20 able for other United States uses *For purchase of foreign*
 21 *curreneies which accrue under title I of the Agricultural*
 22 *Trade Development and Assistance Act of 1954, as amended*
 23 *(7 U.S.C. 1704), for market development research author-*
 24 *ized by section 104(a), and for agricultural and forestry*
 25 *research authorized by section 104(k) of that Act, to remain*

1 available until expended, \$5,265,000: *Provided, That the*
 2 *dollar value of the unexpended balances, as of June 30,*
 3 *1960, of allocations of foreign currencies heretofore made*
 4 *available to the Agricultural Research Service for the fore-*
 5 *going purposes of section 104(a) is appropriated as of that*
 6 *date and shall be merged with this appropriation: Provided*
 7 *further, That funds appropriated herein shall be used to*
 8 *purchase such foreign currencies as the Department deter-*
 9 *mines are needed and can be used most effectively to carry*
 10 *out the purposes of this paragraph, and such foreign cur-*
 11 *rencies shall, pursuant to the provisions of section 104(a),*
 12 *be set aside for sale to the Department before foreign cur-*
 13 *rencies which accrue under said title I are made available*
 14 *for other United States uses.*

15 CONSTRUCTION OF FACILITIES

16 For construction of facilities and acquisition of the neces-
 17 sary land therefor by donation or exchange, \$800,000, to
 18 remain available until expended: *Provided, That the Secre-*
 19 *tary may purchase land at a price not in excess of \$10 for*
 20 *construction of facilities at Columbia, Missouri.*

21 STATE EXPERIMENT STATIONS

22 Payments to States and Puerto Rico: For payments to
 23 agricultural experiment stations to carry into effect the pro-
 24 visions of the Hatch Act, approved March 2, 1887, as
 25 amended by the Act approved August 11, 1955 (7 U.S.C.

1 361a-361i), including administration by the United States
2 Department of Agriculture, ~~\$34,053,000~~ \$36,053,000; and
3 payments authorized under section 204 (b) of the Agricul-
4 tural Marketing Act, the Act approved August 14, 1946
5 (7 U.S.C. 1623), \$500,000; in all, ~~\$34,553,000~~ \$36,-
6 553,000.

7 Penalty mail: For penalty mail costs of agricultural
8 experiment stations under section 6 of the Hatch Act of
9 1887, as amended, \$250,000.

10 DISEASES OF ANIMALS AND POULTRY

11 Eradication activities: For expenses necessary in the
12 arrest and eradication of foot-and-mouth disease, rinderpest,
13 contagious pleuropneumonia, or other contagious or infec-
14 tious diseases of animals, or European fowl pest and similar
15 diseases in poultry, and for foot-and-mouth disease and rin-
16 derpest programs undertaken pursuant to the provisions of
17 the Act of February 28, 1947, as amended, and the Act of
18 May 29, 1884, as amended (7 U.S.C. 391; 21 U.S.C. 111-
19 122), including expenses in accordance with section 2 of
20 said Act of February 28, 1947, the Secretary may transfer
21 from other appropriations or funds available to the bureaus,
22 corporations, or agencies of the Department such sums as he
23 may deem necessary, to be available only in an emergency
24 which threatens the livestock or poultry industry of the
25 country, and any unexpended balances of funds transferred

1 under this head in the next preceding fiscal year shall be
 2 merged with such transferred amounts: *Provided*, That this
 3 appropriation shall be subject to applicable provisions con-
 4 tained in the item "Salaries and expenses, Agricultural Re-
 5 search Service".

6 EXTENSION SERVICE

7 COOPERATIVE EXTENSION WORK, PAYMENTS AND 8 EXPENSES

9 Payments to States and Puerto Rico: For payments for
 10 cooperative agricultural extension work under the Smith-
 11 Lever Act, as amended by the Act of June 26, 1953 (7
 12 U.S.C. 341-348), and the Act of August 11, 1955 (7
 13 U.S.C. 347a), ~~\$57,220,000~~ \$58,220,000; and payments and
 14 contracts for such work under section 204 (b) -205 of the
 15 Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624),
 16 \$1,570,000; in all, ~~\$58,790,000~~ \$59,790,000: *Provided*,
 17 That funds hereby appropriated pursuant to section 3 (c)
 18 of the Act of June 26, 1953, shall not be paid to any State
 19 or Puerto Rico prior to availability of an equal sum from
 20 non-Federal sources for expenditure during the current fiscal
 21 year.

22 Retirement costs for extension agents: For cost of em-
 23 ployer's share of Federal retirement for cooperative extension
 24 employees, \$6,260,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$2,490,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, ~~\$2,452,000~~ \$2,477,000.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), \$657,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classifica-

1 tion and mapping of soils; dissemination of information;
2 purchase and erection or alteration of permanent buildings;
3 and operation and maintenance of aircraft, \$89,725,000:
4 *Provided*, That the cost of any permanent building pur-
5 chased, erected, or as improved, exclusive of the cost of
6 constructing a water supply or sanitary system and connect-
7 ing the same to any such building and with the exception of
8 buildings acquired in conjunction with land being purchased
9 for other purposes, shall not exceed \$2,500, except for eight
10 buildings to be constructed or improved at a cost not to ex-
11 ceed \$15,000 per building and except that alterations or im-
12 provements to other existing permanent buildings costing
13 \$2,500 or more may be made in any fiscal year in an amount
14 not to exceed \$500 per building: *Provided further*, That no
15 part of this appropriation shall be available for the construc-
16 tion of any such building on land not owned by the Govern-
17 ment: *Provided further*, That no part of this appropriation
18 may be expended for soil and water conservation operations
19 under the Act of April 27, 1935 (16 U.S.C. 590a-590f),
20 in demonstration projects: *Provided further*, That not to
21 exceed \$5,000 may be used for employment pursuant to the
22 second sentence of section 706 (a) of the Organic Act of
23 1944 (5 U.S.C. 574), as amended by section 15 of the Act
24 of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That
25 qualified local engineers may be temporarily employed at per

diem rates to perform the technical planning work of the service.

WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), to remain available until expended, \$53,787,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That not to exceed \$100,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed \$2,500,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709,

1 74 Stat. 131), as amended and supplemented, and in ac-
2 cordance with the provisions of laws relating to the activi-
3 ties of the Department, to perform works of improvement,
4 including not to exceed \$100,000 for employment pursuant
5 to the second sentence of section 706 (a) of the Organic
6 Act of 1944 (5 U.S.C. 574), as amended by section 15 of the
7 Act of August 2, 1946 (5 U.S.C. 55a), to remain available
8 until expended, ~~\$25,000,000~~ \$22,231,500, with which shall
9 be merged the unexpended balances of funds heretofore appro-
10 priated or transferred to the Department for flood prevention
11 purposes: *Provided*, That no part of such funds shall be used
12 for the purchase of lands in the Yazoo and Little Talla-
13 hatchie watersheds without specific approval of the county
14 board of supervisors of the county in which such lands are
15 situated: *Provided further*, That not to exceed \$1,000,000,
16 together with the unobligated balance of funds previously
17 appropriated for loans and related expense, shall be available
18 for such purposes.

19 GREAT PLAINS CONSERVATION PROGRAM

20 For necessary expenses to carry into effect a program of
21 conservation in the Great Plains area, pursuant to section 16
22 (b) of the Soil Conservation and Domestic Allotment Act,
23 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
24 \$10,168,000, to remain available until expended.

1 ECONOMIC RESEARCH SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses of the Economic Research Serv-
4 ice in conducting economic research and service relating to
5 agricultural production, marketing, and distribution, as
6 authorized by the Agricultural Marketing Act of 1946 (7
7 U.S.C. 1621-1627), and other laws, including economics of
8 marketing; analyses relating to farm prices, income and
9 population, and demand for farm products, use of resources
10 in agriculture, adjustments, costs and returns in farming,
11 and farm finance; and for analyses of supply and demand for
12 farm products in foreign countries and their effect on pros-
13 pects for United States exports, progress in economic de-
14 velopment and its relation to sales of farm products, assembly
15 and analysis of agricultural trade statistics and analysis of in-
16 ternational financial and monetary programs and policies as
17 they affect the competitive positions of United States farm
18 products; ~~\$9,049,000~~ \$9,364,000: *Provided*, That not less
19 than \$350,000 of the funds contained in this appropriation
20 shall be available to continue to gather statistics and conduct
21 a special study on the price spread between the farmer and
22 consumer: *Provided further*, That not to exceed \$75,000
23 of the appropriation shall be available for employment pur-
24 suant to the second sentence of section 706 (a) of the Organic

1 Act of 1944 (5 U.S.C. 574) as amended by section 15 of
2 the Act of August 2, 1946 (5 U.S.C. 55a) : *Provided fur-*
3 *ther*, That not less than \$145,000 of the funds contained in
4 this appropriation shall be available for analysis of statistics
5 and related facts on foreign production and full and complete
6 information on methods used by other countries to move farm
7 commodities in world trade on a competitive basis.

8 STATISTICAL REPORTING SERVICE

9 SALARIES AND EXPENSES

10 For necessary expenses of the Statistical Reporting
11 Service in conducting statistical reporting and service work,
12 including crop and livestock estimates, statistical coordina-
13 tion and improvements, and marketing surveys, as author-
14 ized by the Agricultural Marketing Act of 1946 (7 U.S.C.
15 1621-1627) and other laws, ~~\$8,688,000~~ \$8,978,000: *Pro-*
16 *vided*, That no part of the funds herein appropriated shall be
17 available for any expense incident to publishing estimates of
18 apple production for other than the commercial crop.

19 AGRICULTURAL MARKETING SERVICE

20 MARKETING RESEARCH AND SERVICE

21 For expenses necessary to carry on research and service
22 to improve and develop marketing and distribution relating
23 to agriculture as authorized by the Agricultural Marketing
24 Act of 1946 (7 U.S.C. 1621-1627) and other laws, includ-

ing the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 U.S.C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$15,000, except for two buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater:

Marketing research: For research and development relating to agricultural marketing and distribution, including related cost and efficiency evaluations, ~~\$4,515,000~~
\$4,795,000;

Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States, ~~\$33,187,000~~
\$33,370,000, including not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem, pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out sec-

tion 201 (a) to 201 (d) , inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203 (j) of the Agricultural Marketing Act of 1946.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623 (b)),
~~\$1,400,000~~ \$1,325,000.

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760),
 \$125,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: *Provided further*, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act: ~~*Provided further*~~, That for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the National School Lunch Act (7 U.S.C. 1758), not to exceed \$10,000,000 of

1 this appropriation shall be available for assistance under sec-
2 tions 4 and 10 of that Act (~~42 U.S.C. 1753-1754~~) under
3 such regulations as the Secretary may prescribe and without
4 regard to provisions of that Act governing the apportionment
5 of funds.

6 FOREIGN AGRICULTURAL SERVICE

7 SALARIES AND EXPENSES

8 For necessary expenses for the Foreign Agricultural
9 Service, including carrying out title VI of the Agricultural
10 Act of 1954 (7 U.S.C. 1761-1768), market development
11 activities abroad, and for enabling the Secretary to coordi-
12 nate and integrate activities of the Department in connection
13 with foreign agricultural work, including not to exceed
14 ~~\$30,000~~ \$35,000 for representation allowances and for ex-
15 penses pursuant to section 8 of the Act approved August 3,
16 1956 (7 U.S.C. 1766), \$12,457,000: *Provided*, That not
17 less than \$255,000 of the funds contained in this appro-
18 priation shall be available to obtain statistics and related
19 facts on foreign production and full and complete infor-
20 mation on methods used by other countries to move farm
21 commodities in world trade on a competitive basis: *Provided*
22 *further*, That, in addition, not to exceed \$3,117,000 of the
23 funds appropriated by section 32 of the Act of August 24,

1 1935, as amended (7 U.S.C. 612c), shall be merged with
 2 this appropriation and shall be available for all expenses
 3 of the Foreign Agricultural Service.

4 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
 5 PROGRAM)

6 For purchase of foreign currencies which accrue under
 7 title I of the Agricultural Trade Development and Assistance
 8 Act of 1954, as amended (7 U.S.C. 1704), for the purposes
 9 of market development activities under section 104(a) of
 10 that Act, \$3,444,000, to remain available until expended:
 11 *Provided*, That funds appropriated herein shall be used to
 12 purchase such foreign currencies as the Department deter-
 13 mines are needed and can be used most effectively to carry
 14 out the purposes of this paragraph, and such foreign curren-
 15 cies shall, pursuant to the provisions of section 104(a), be
 16 set aside for sale to the Department before foreign currencies
 17 which accrue under said title I are made available for other
 18 United States uses *For purchase of foreign currencies which*
 19 *accrue under title I of the Agricultural Trade Development*
 20 *and Assistance Act of 1954, as amended (7 U.S.C. 1704),*
 21 *for the purposes of market development activities under sec-*
 22 *tion 104(a) of that Act, \$3,444,000, to remain available*
 23 *until expended: Provided, That the dollar value of the un-*
 24 *expended balances, as of June 30, 1960, of allocations of*
 25 *foreign currencies heretofore made available to the Foreign*

1 *Agricultural Service for the foregoing purposes of section*
 2 *104(a) is appropriated as of that date and shall be merged*
 3 *with this appropriation: Provided further, That funds appro-*
 4 *priated herein shall be used to purchase such foreign cur-*
 5 *rencies as the Department determines are needed and can*
 6 *be used most effectively to carry out the purposes of this*
 7 *paragraph, and such foreign currencies shall, pursuant to*
 8 *the provisions of section 104(a), be set aside for sale to the*
 9 *Department before foreign currencies which accrue under*
 10 *said title I are made available for other United States uses.*

11 COMMODITY EXCHANGE AUTHORITY

12 SALARIES AND EXPENSES

13 For necessary expenses to carry into effect the pro-
 14 visions of the Commodity Exchange Act, as amended (7
 15 U.S.C. 1-17a), ~~\$1,000,000~~ \$1,007,000.

16 COMMODITY STABILIZATION SERVICE

17 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

18 For necessary expenses to formulate and carry out
 19 acreage allotment and marketing quota programs pursu-
 20 ant to provisions of title III of the Agricultural Adjust-
 21 ment Act of 1938, as amended (7 U.S.C. 1301-1393),
 22 \$44,098,000, of which not more than \$7,125,000 shall be
 23 transferred to the appropriation account "Administrative ex-
 24 penses, section 392, Agricultural Adjustment Act of 1938".

1 SUGAR ACT PROGRAM

2 For necessary expenses to carry into effect the pro-
3 visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
4 \$78,000,000, to remain available until June 30 of the next
5 succeeding fiscal year: *Provided*, That expenditures (in-
6 cluding transfers) from this appropriation for other than
7 payments to sugar producers shall not exceed \$2,350,000.

8 AGRICULTURAL CONSERVATION PROGRAM

9 For necessary expenses to carry into effect the program
10 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
11 Conservation and Domestic Allotment Act, approved
12 February 29, 1936, as amended (16 U.S.C. 590g-590 (o),
13 590p (a), and 590q), including not to exceed \$6,000 for
14 the preparation and display of exhibits, including such dis-
15 plays at State, interstate, and international fairs within the
16 United States, \$238,000,000, to remain available until De-
17 cember 31 of the next succeeding fiscal year for compliance
18 with the program of soil-building and soil- and water-con-
19 serving practices authorized under this head in the Depart-
20 ment of Agriculture and Farm Credit Administration
21 Appropriation Act, 1961, carried out during the period
22 July 1, 1960, to December 31, 1961, inclusive, *and the*
23 *amount of a State's basic allocation not so expended shall be*
24 *available for the State's succeeding program in addition to*
25 *such program otherwise authorized: Provided, That not*

1 to exceed \$29,100,000 of the total sum provided under
2 this head shall be available during the current fiscal
3 year for administrative expenses for carrying out such pro-
4 gram, the cost of aerial photographs, however, not to be
5 charged to such limitation; but not more than \$5,750,000
6 shall be transferred to the appropriation account "Ad-
7 ministrative expenses, section 392, Agricultural Adjustment
8 Act of 1938": *Provided further*, That none of the funds
9 herein appropriated shall be used to pay the salaries or ex-
10 penses of any regional information employees or any State
11 information employees, but this shall not preclude the
12 answering of inquiries or supplying of information at the
13 county level to individual farmers: *Provided further*, That
14 such amounts shall be available for administrative expenses
15 in connection with the formulation and administration of
16 the 1962 program of soil-building and soil- and water-
17 conserving practices, *including related wildlife conserving*
18 *practices*, under the Act of February 29, 1936, as amended
19 (amounting to \$250,000,000, including administration, *ex-*
20 *cept that hereafter not to exceed 15 per centum of the basic*
21 *allocation for any State may be used to increase the State's*
22 *preceding program*, and no participant shall receive more
23 than \$2,500, except where the participants from two or more
24 farms or ranches join to carry out approved practices designed

1 to conserve or improve the agricultural resources of the com-
2 munity) : *Provided further*, That no change shall be made
3 in such 1962 program which will have the effect in any
4 county of restricting eligibility requirements or cost-sharing
5 on practices included in either the 1958 or the 1959 pro-
6 grams, unless such change shall have been recommended by
7 the county committee and approved by the State committee :
8 *Provided further*, That not to exceed 5 per centum of the
9 allocation for the 1962 agricultural conservation program
10 for any county may, on the recommendation of such county
11 committee and approval of the State committee, be withheld
12 and allotted to the Soil Conservation Service for services of
13 its technicians in formulating and carrying out the agricul-
14 tural conservation program in the participating counties, and
15 shall not be utilized by the Soil Conservation Service for any
16 purpose other than technical and other assistance in such
17 counties, and in addition, on the recommendation of such
18 county committee and approval of the State committee, not
19 to exceed 1 per centum may be made available to any other
20 Federal, State, or local public agency for the same purpose
21 and under the same conditions: *Provided further*, That for
22 the 1962 program \$2,500,000 shall be available for technical
23 assistance in formulating and carrying out agricultural con-
24 servation practices and \$1,000,000 shall be available for
25 conservation practices related directly to flood prevention

1 work in approved watersheds: *Provided further*, That such
2 amounts shall be available for the purchase of seeds, ferti-
3 lizers, lime, trees, or any other farming material, or any
4 soil-terracing services, and making grants thereof to agricul-
5 tural producers to aid them in carrying out farming practices
6 approved by the Secretary under programs provided for
7 herein: *Provided further*, That no part of any funds avail-
8 able to the Department, or any bureau, office, corporation, or
9 other agency constituting a part of such Department, shall
10 be used in the current fiscal year for the payment of salary
11 or travel expenses of any person who has been convicted of
12 violating the Act entitled "An Act to prevent pernicious
13 political activities", approved August 2, 1939, as amended,
14 or who has been found in accordance with the provisions of
15 title 18, United States Code, section 1913, to have violated
16 or attempted to violate such section which prohibits the use
17 of Federal appropriations for the payment of personal serv-
18 ices or other expenses designed to influence in any manner
19 a Member of Congress to favor or oppose any legislation or
20 appropriation by Congress except upon request of any Mem-
21 ber or through the proper official channels.

22 SPECIAL AGRICULTURAL CONSERVATION PROGRAM

23 For necessary administrative expenses to carry into
24 effect a special agricultural conservation program pursuant
25 to section 16(c) of the Soil Conservation and Domestic

1 Allotment Act, as added by section 2 of the Act of March 22,
 2 1961, ~~\$15,000,000~~ \$18,500,000.

3 CONSERVATION RESERVE PROGRAM

4 For necessary expenses to carry out a conservation re-
 5 serve program as authorized by subtitles B and C of the
 6 Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and
 7 1816), and to carry out liquidation activities for the acre-
 8 age reserve program, to remain available until expended,
 9 ~~\$300,000,000~~ \$312,000,000, with which may be merged the
 10 unexpended balances of funds heretofore appropriated for soil
 11 bank programs: *Provided*, That not to exceed \$12,500,000
 12 shall be available for administrative expenses, of which not
 13 less than ~~\$10,425,000~~ \$10,625,000 may be transferred to
 14 the appropriation account "Local administration, section 388,
 15 Agricultural Adjustment Act of 1938": *Provided further*,
 16 That no part of these funds shall be paid on any contract
 17 which is illegal under the law due to the division of lands for
 18 the purpose of evading limits on annual payments to
 19 participants.

20 FEDERAL CROP INSURANCE CORPORATION

21 OPERATING AND ADMINISTRATIVE EXPENSES

22 For operating and administrative expenses, \$6,561,000.

1 RURAL ELECTRIFICATION ADMINISTRATION

2 To carry into effect the provisions of the Rural Electri-
3 fication Act of 1936, as amended (7 U.S.C. 901-924),
4 as follows:

5 LOAN AUTHORIZATIONS

6 For loans in accordance with said Act, and for carry-
7 ing out the provisions of section 7 thereof, to be borrowed
8 from the Secretary of the Treasury in accordance with the
9 provisions of section 3 (a) of said Act, as follows: Rural
10 electrification program, ~~\$125,000,000~~ *\$195,000,000*; and
11 rural telephone program, ~~\$120,000,000~~ *\$150,000,000*; and
12 additional amounts, not to exceed ~~\$70,000,000~~ *\$50,000,000*
13 for the rural electrification program and ~~\$30,000,000~~
14 *\$12,500,000* for the rural telephone program, may be
15 borrowed under the same terms and conditions to the ex-
16 tent that such amount is required during the fiscal year
17 1962 under the then existing conditions for the expeditious
18 and orderly development of the rural electrification and
19 telephone programs.

20 SALARIES AND EXPENSES

21 For administrative expenses, including not to exceed
22 \$500 for financial and credit reports, and not to exceed

1 \$150,000 for employment pursuant to the second sentence
2 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
3 574), as amended by section 15 of the Act of August 2,
4 1946 (5 U.S.C. 55a), \$10,024,000.

5 **FARMERS HOME ADMINISTRATION**

6 To carry into effect the provisions of titles I, II, and
7 the related provisions of title IV of the Bankhead-Jones
8 Farm Tenant Act, as amended (7 U.S.C. 1000–1031); the
9 Farmers Home Administration Act of 1946 (7 U.S.C. 1001,
10 note; 31 U.S.C. 82h; 12 U.S.C. 371; 35 D.C. Code 535;
11 60 Stat. 1062–1080); the Act of July 30, 1946 (40 U.S.C.
12 436–439); the Act of August 28, 1937, as amended (16
13 U.S.C. 590r–590x—3), for the development of facilities for
14 water storage and utilization in the arid and semiarid areas
15 of the United States; the provisions of title V of the Hous-
16 ing Act of 1949, as amended (42 U.S.C. 1471–1483), re-
17 lating to financial assistance for farm housing; the Rural
18 Rehabilitation Corporation Trust Liquidation Act, approved
19 May 3, 1950 (40 U.S.C. 440–444); the items “Loans to
20 farmers, 1948 flood damage” in the Act of June 25, 1948
21 (62 Stat. 1038), and “Loans to farmers, property damage”
22 in the Act of May 24, 1949 (63 Stat. 82); the collecting
23 and servicing of credit sales and development accounts in
24 water conservation and utilization projects (53 Stat. 685,
25 719), as amended and supplemented (16 U.S.C. 590y, z—1

1 and z—10) ; and the Act to direct the Secretary of Agri-
 2 culture to convey certain mineral interests, approved Sep-
 3 tember 6, 1950 (7 U.S.C. 1033-1039) , as follows :

4 LOAN AUTHORIZATIONS

5 For loans (including payments in lieu of taxes and taxes
 6 under section 50 of the Bankhead-Jones Farm Tenant Act,
 7 as amended, and advances incident to the acquisition and
 8 preservation of security of obligations under the foregoing
 9 several authorities, except that such advances under title V
 10 of the Housing Act of 1949, as amended, shall be made from
 11 funds obtained under section 511 of that Act, as amended) :
 12 Title I and section 43 of title IV of the Bankhead-Jones
 13 Farm Tenant Act, as amended, ~~\$31,900,000~~ \$40,000,000,
 14 of which not to exceed \$2,500,000 may be distributed
 15 to States and territories without regard to farm popula-
 16 tion and prevalence of tenancy, in addition to the
 17 amount otherwise distributed thereto, for loans in rec-
 18 lamation projects and to entrymen on unpatented public
 19 lands; title II of the Bankhead-Jones Farm Tenant Act, as
 20 amended, ~~\$225,000,000~~ \$237,500,000; the Act of August
 21 28, 1937, as amended, \$3,000,000: *Provided*, That not to
 22 exceed the foregoing several amounts shall be borrowed in
 23 one account from the Secretary of the Treasury in accord-
 24 ance with the provisions set forth under this head in the
 25 Department of Agriculture Appropriation Act, 1952: *Pro-*

1 *vided further*, That an additional amount, not to exceed
 2 ~~\$25,000,000~~ \$37,500,000, may be borrowed under the same
 3 terms and conditions to the extent that such amount is re-
 4 quired during fiscal year 1962 under the then existing con-
 5 ditions for the expeditious and orderly conduct of the loan
 6 program under title II of the Bankhead-Jones Farm Tenant
 7 Act, as amended.

8 SALARIES AND EXPENSES

9 For making, servicing, and collecting loans and insured
 10 mortgages, the servicing and collecting of loans made under
 11 prior authority, the liquidation of assets transferred to Farm-
 12 ers Home Administration, and other administrative expenses,
 13 ~~\$33,017,000~~ \$33,167,000, together with a transfer of not to
 14 exceed \$1,050,000 of the fees and administrative expense
 15 charges made available by subsections (d) and (e) of section
 16 12 of the Bankhead-Jones Farm Tenant Act, as amended (7
 17 U.S.C. 1005 (b)), and section 10 (c) of the Act of August
 18 28, 1937, as amended.

19 OFFICE OF THE GENERAL COUNSEL

20 SALARIES AND EXPENSES

21 For necessary expenses, including payment of fees or
 22 dues for the use of law libraries by attorneys in the field
 23 service, \$3,650,000: *Provided, That the Secretary may, if*
 24 *he finds it necessary for the more effective and efficient opera-*
 25 *tion of the Department, transfer additional amounts to this*

1 *appropriation from other appropriations available to the De-*
 2 *partment for salaries and expenses for the current fiscal year,*
 3 *but this appropriation shall not be increased by more than*
 4 *7 per centum by reason of such transfers.*

5 OFFICE OF THE SECRETARY

6 SALARIES AND EXPENSES

7 For expenses of the Office of the Secretary of Agricul-
 8 ture; expenses of the National Agricultural Advisory Com-
 9 mission; stationery, supplies, materials, and equipment;
 10 freight, express, and drayage charges; advertising of bids,
 11 communication service, postage, washing towels, repairs and
 12 alterations, and other miscellaneous supplies and expenses
 13 not otherwise provided for and necessary for the practical
 14 and efficient work of the Department of Agriculture, ~~\$3,~~
 15 ~~096,000~~ \$3,103,500: *Provided*, That this appropriation
 16 shall be reimbursed from applicable appropriations for travel
 17 expenses incident to the holding of hearings as required by
 18 the Administrative Procedures Act (5 U.S.C. 1001).

19 OFFICE OF INFORMATION

20 SALARIES AND EXPENSES

21 For necessary expenses of the Office of Information for
 22 the dissemination of agricultural information and the co-
 23 ordination of informational work and programs authorized
 24 by Congress in the Department, ~~\$1,584,000~~ \$1,597,000, of
 25 which total appropriation not to exceed \$537,000 may be used

1 for farmers' bulletins, which shall be adapted to the interests
 2 of the people of the different sections of the country, an
 3 equal proportion of four-fifths of which shall be delivered
 4 to or sent out under the addressed franks furnished by the
 5 Senators, Representatives, and Delegates in Congress, as
 6 they shall direct (7 U.S.C. 417), and not less than two
 7 hundred and thirty-three thousand and fifty copies for the
 8 use of the Senate and House of Representatives of part 2
 9 of the annual report of the Secretary (known as the Year-
 10 book of Agriculture) as authorized by section 73 of the
 11 Act of January 12, 1895 (44 U.S.C. 241): *Provided*,
 12 That in the preparation of motion pictures or exhibits by
 13 the Department, not exceeding a total of \$10,000 may be
 14 used for employment pursuant to the second sentence of
 15 section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574),
 16 as amended by section 15 of the Act of August 2, 1946
 17 (5 U.S.C. 55a).

18 *CENTENNIAL OBSERVANCE OF AGRICULTURE*

19 *SALARIES AND EXPENSES*

20 *For expenses necessary for planning, promoting, co-*
 21 *ordinating, and assisting participation by industry, trade*
 22 *associations, commodity groups, and similar interests in the*
 23 *celebration of the centennial of the establishment of the De-*
 24 *partment of Agriculture; and employment pursuant to sec-*
 25 *tion 706(a) of the Organic Act of 1944 (5 U.S.C. 574),*

1 *as amended by section 15 of the Act of August 2, 1946 (5*
 2 *U.S.C. 55a); \$100,000, including not to exceed \$20,000*
 3 *for additional printing costs of the 1962 Yearbook of Agri-*
 4 *culture, to remain available until December 31, 1962.*

5 LIBRARY

6 SALARIES AND EXPENSES

7 For necessary expenses, including dues for library mem-
 8 bership in societies or associations which issue publications
 9 to members only or at a price to members lower than to sub-
 10 scribers who are not members, ~~\$1,000,000~~ \$1,057,000.

11 TITLE II—FOREIGN ASSISTANCE PROGRAMS

12 PUBLIC LAW 480

13 For expenses during fiscal year 1962, not otherwise
 14 recoverable, under the Agricultural Trade Development and
 15 Assistance Act of 1954, as amended (7 U.S.C. 1701-1709,
 16 1721-1724, 1731-1736), to remain available until expended,
 17 as follows: (1) Sale of surplus agricultural commodities for
 18 foreign currencies pursuant to title I of said Act, \$1,250,-
 19 451,000; (2) commodities disposed of for emergency famine
 20 relief to friendly peoples pursuant to title II of said Act,
 21 \$140,868,000; and (3) long-term supply contracts pursuant
 22 to title IV of said Act, \$13,000,000.

23 INTERNATIONAL WHEAT AGREEMENT

24 For expenses during fiscal year 1962 under the Interna-
 25 tional Wheat Agreement Act of 1949, as amended (7 U.S.C.

1 1641-1642), \$70,681,000, to remain available until ex-
2 pended.

3 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

4 For expenses during fiscal year 1962 related to strategic
5 and other materials acquired as a result of barter or exchange
6 of agricultural commodities or products and transferred to
7 the supplemental stockpile pursuant to Public Law 540,
8 Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000,
9 to remain available until expended.

10 TITLE III—CORPORATIONS

11 The following corporations and agencies are hereby
12 authorized to make such expenditures, within the limits of
13 funds and borrowing authority available to each such cor-
14 poration or agency and in accord with law, and to make
15 such contracts and commitments without regard to fiscal
16 year limitations as provided by section 104 of the Govern-
17 ment Corporation Control Act, as amended, as may be neces-
18 sary in carrying out the programs set forth in the budget
19 for the fiscal year 1962 for such corporation or agency, ex-
20 cept as hereinafter provided:

21 FEDERAL CROP INSURANCE CORPORATION FUND

22 Not to exceed \$2,830,000 of administrative and operat-
23 ing expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

RESTORATION OF CAPITAL IMPAIRMENT

To partially restore the capital impairment of the Commodity Credit Corporation determined by the appraisal of June 30, 1960, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U.S.C. 713a-1), \$1,017,610,000.

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
FOR COSTS OF FOREIGN ASSISTANCE AND OTHER
SPECIAL ACTIVITIES

To reimburse the Commodity Credit Corporation for authorized unrecovered costs through June 30, 1961 (including interest through date of recovery), as follows: (1) \$88,790,000 under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642); (2) \$255,685,000 for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of the Act of July 10, 1954, as amended (7 U.S.C. 1703, 1721-1724); (3) \$1,353,000,000 for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of the Act of July 10, 1954, as amended (7 U.S.C. 1701-1709); (4) \$13,000 for grain made available to the Secretary of the Interior to prevent crop damage by migratory waterfowl pursuant to the Act of July 3, 1956

1 (7 U.S.C. 442-445) ; (5) \$163,163,000 for strategic and
2 other materials acquired by the Commodity Credit Cor-
3 poration as a result of barter or exchange of agricultural
4 commodities or products and transferred to the supplemental
5 stockpile pursuant to Public Law 540, Eighty-fourth Con-
6 gress (7 U.S.C. 1856) ; (6) \$1,264,000 for transfers to the
7 appropriation "Marketing research and service" pursuant
8 to the Act of August 31, 1951 (7 U.S.C. 414a), for grad-
9 ing tobacco and classing cotton without charge to pro-
10 ducers, as authorized by law (7 U.S.C. 473a, 511d) :
11 *Provided*, That the appropriations provided in this para-
12 graph shall be immediately available: *Provided further*,
13 That the unexpended balances of funds heretofore provided
14 for the various purposes under this head may remain avail-
15 able until expended for the purposes for which appropriated
16 and may be merged with the funds provided in this
17 paragraph.

18 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
19 FOR COSTS OF SPECIAL MILK PROGRAM

20 To reimburse the Commodity Credit Corporation for
21 amounts advanced for the fiscal year beginning July 1, 1960,
22 for the special milk program for children pursuant to the Act
23 of July 1, 1958, as amended (72 Stat. 276; 74 Stat. 84-
24 85), \$90,000,000.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed ~~\$47,500,000~~ \$47,916,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

1 TITLE IV—RELATED AGENCIES

2 FARM CREDIT ADMINISTRATION

3 LIMITATION ON ADMINISTRATIVE EXPENSES

4 Not to exceed \$2,590,000 (from assessments collected
5 from farm credit agencies) shall be obligated during the cur-
6 rent fiscal year for administrative expenses.

7 FEDERAL FARM MORTGAGE CORPORATION FUND

8 The Federal Farm Mortgage Corporation is authorized
9 to make such expenditures, within available funds and in
10 accordance with law, as may be necessary to liquidate its
11 assets: *Provided*, That funds realized from the liquidation
12 of assets which are determined by the Board of Directors
13 to be in excess of the requirements for expenses of liquida-
14 tion shall be declared as dividends which shall be paid into
15 the general fund of the Treasury.

16 DEPARTMENT OF INTERIOR

17 GRAIN FOR MIGRATORY WATERFOWL

18 For expenses of supplying grain to the Secretary of the
19 Interior to prevent crop damage by migratory waterfowl pur-
20 suant to the Act of July 3, 1956 (7 U.S.C. 442-445),
21 \$35,000, to remain available until expended.

22 TITLE V—GENERAL PROVISIONS

23 SEC. 501. Within the unit limit of cost fixed by law, ap-
24 propriations and authorizations made for the Department
25 under this Act shall be available for the purchase, in addition

1 to those specifically provided for, of not to exceed three
2 hundred and ninety-eight passenger motor vehicles, of which
3 three hundred and eighty-five shall be for replacement only,
4 and for the hire of such vehicles.

5 SEC. 502. Provisions of law prohibiting or restricting the
6 employment of aliens shall not apply to employment under
7 the appropriation for the Foreign Agricultural Service.

8 SEC. 503. Funds available to the Department of Agri-
9 culture shall be available for uniforms or allowances therefor
10 as authorized by the Act of September 1, 1954, as amended
11 (5 U.S.C. 2131).

12 SEC. 504. No part of the funds appropriated by this Act
13 shall be used for the payment of any officer or employee of
14 the Department who, as such officer or employee, or on be-
15 half of the Department or any division, commission, or
16 bureau thereof, issues, or causes to be issued, any prediction,
17 oral or written, or forecast, except as to damage threatened
18 or caused by insects and pests, with respect to future prices
19 of cotton or the trend of same.

20 SEC. 505. Except to provide materials required in or
21 incident to research or experimental work where no suitable
22 domestic product is available, no part of the funds appro-
23 priated by this Act shall be expended in the purchase of
24 twine manufactured from commodities or materials produced
25 outside of the United States.

1 SEC. 506. Not less than \$1,500,000 of the appropria-
2 tions of the Department for research and service work
3 authorized by the Acts of August 14, 1946, July 28, 1954,
4 and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42
5 U.S.C. 1891-1893), shall be available for contracting in
6 accordance with said Acts.

7 This Act may be cited as the "Department of Agricul-
8 ture and Related Agencies Appropriation Act, 1962".

Passed the House of Representatives June 6, 1961.

Attest:

RALPH R. ROBERTS,

Clerk.

87TH CONGRESS
1ST SESSION

H. R. 7444

[Report No. 394]

AN ACT

Making appropriations for the Department of
Agriculture and related agencies for the
fiscal year ending June 30, 1962, and for
other purposes.

JUNE 7, 1961

Read twice and referred to the Committee on
Appropriations

JUNE 15, 1961

Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

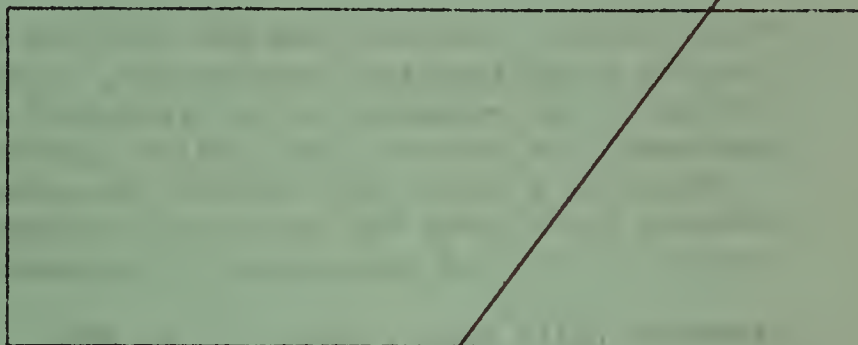
OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of June 16, 1961
87th-1st, No. 101

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HIGHLIGHTS: Sen. Proxmire commended feed grains program and omnibus farm bill.
Sens. Hruska and Neuberger debated merits of farm bill.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1962. Sen. Russell submitted a notice of his intention to move to suspend the rules for the purpose of proposing an amendment to this bill, H. R. 7444, to provide \$100,000, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture, for expenses necessary for the celebration of the centennial of the establishment of the Department of Agriculture. p. 9850

2. FARM PROGRAM. Sen. Proxmire commended the feed grains program as "a real success story, because no one anticipated the feed grain program could possibly be so successful in taking land out of production ... while at the same time increasing farm income." He commended the omnibus farm bill but stated that he thought "there are errors in the proposal as it came from the Department of Agriculture" which will have to be changed by Congress. pp. 9888-90

Sens. Hruska and Neuberger debated the merits of the omnibus farm bill. Sen. Hruska objected to the proposal for the establishment of farmer committees to develop farm programs and contended that the proposed bill was "another example of bypassing the Congress." Sen. Neuberger contended that both political parties had failed to find a solution during the past 8 years and that she would like to see some other farm plan tried. pp. 9900-01

3. PERSONNEL. Passed as reported S. 884, to authorize the Secretary of Commerce to procure the services of experts and consultants at rates not to exceed \$100 per diem for individuals. pp. 9873-4
4. CUBAN AGRICULTURE. Sen. Keating inserted an article discussing food shortages in Cuba and stating that "the Castro regime's attempt to increase greatly the production of food and manufactured articles has met with no notable success." pp. 9860-1
5. PUBLIC LANDS. Received from the Interior Department a proposed bill to "authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes"; to Interior and Insular Affairs Committee. p. 9848
Received a Calif. Legislature resolution urging that the disposal of Federal surplus lands under GSA having high recreational value be suspended for 18 months in order to reevaluate GSA disposal methods. p. 9848
6. ADJOURNED until Tues., June 20. p. 9904

-0-

COMMITTEE HEARINGS ANNOUNCEMENTS:

June 19: Proposed Youth Opportunities Act (including Youth Conservation Corps), H. Education and Labor (Secretary Freeman to testify).
Wheat provisions of farm bill, H. Agriculture (exec).
Foreign aid bill, S. Foreign Relations (exec) and H. Foreign Affairs (exec).
Housing bill, H. Rules.
Abolishment of Virgin Islands Corporation, H. Interior.

oOo

For supplemental information or copies of legislative material referred to, call Ext. 4654 or send to Room 105-A.

"Whereas one of the bulwarks of democracy is the free exchange of information, through which the citizens may learn of the activities of their government in time to take steps to correct any evils that may exist; and

"Whereas it is safe to say that there have been countless misdeeds by public officials brought to light only because someone with knowledge of wrongdoing passed the information on to such a reporter of the news, secure in the knowledge that his confidence would be respected; and

"Whereas without the privilege of keeping secret his sources of information, such a reporter of the news would soon find that his sources of information had dried up, thus severely limiting his effectiveness; and

"Whereas this is an age in which we should be doing everything possible to keep the public informed rather than raising barriers in the channels of communication between the people and their government. Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Congress of the United States is respectfully requested to enact legislation to protect all reporters, who through the use of any available communication media report the news to the public, against being forced to disclose the sources of their information; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress."

"SENATE JOINT RESOLUTION 44

"Joint resolution relating to H.R. 4390

"Whereas H.R. 4390 was introduced in the House of Representatives on February 16, 1961, by Representative Overton Brooks of Louisiana and has been referred to the Committee on Judiciary; and

"Whereas H.R. 4390 would amend the Submerged Lands Act (43 U.S.C. 1301 et seq.) to establish and confirm the seaward boundaries of all coastal States to a line extending three marine leagues (nine geographical or 10½ statute miles) from the coastline; and

"Whereas the present act limits seaward boundaries of coastal States to three geographical miles; and

"Whereas in the recent United States Supreme Court decisions in *United States v. Louisiana* (1960), 363 U.S. 1 and *United States v. Florida* (1960), 363 U.S. 121, it was held that Texas- and Florida-owned submerged lands out to three leagues from their coastlines and other gulf States were limited to 3 geographical miles; and

"Whereas H.R. 4390 would secure equality of treatment for all coastal States, including California; and

"Whereas the passage of this bill would be in the best interests of the State of California: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully urges the Congress to enact H.R. 4390 into law; and be it further

"Resolved, That the Secretary of the Senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on Foreign Relations:

"Whereas the Soviet Union has a prime objective, the expansion of its domination of colonial areas; and

"Whereas the Soviet Union suppresses human liberty in the captive nations far more ruthlessly than the oldtime imperialists: Now, therefore be it

"Resolved by the house of representatives (with the senate concurring), That the General Court of the State of New Hampshire exhorts the Government of the United States to continue to use all the resources at its command to halt the further spread of Soviet colonialism; be it further

"Resolved, That the secretary of state transmit a copy of this concurrent resolution to each of the Members of the New Hampshire delegation in Congress and to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States.

"STEWART LAMPREY,

"Speaker of the House of Representatives.

"SAMUEL GREEN,

"President of the Senate."

"Passed June 7, 1961.

"Attest:

"ROBERT L. STARK,

"Secretary of State."

PERRY RESERVOIR ON TRIBUTARY OF THE KANSAS RIVER—RESOLUTIONS

Mr. CARLSON. Mr. President, the importance of the construction of the Perry Reservoir on a tributary of the Kansas River for the conservation and control of water runoff and water supply is being stressed by the city of Lawrence, the Douglas County Kaw Drainage District, and the Kaw Basin Water Management Association.

They have unanimously approved a resolution urging an appropriation of \$100,000 for local flood protection for the city of Lawrence and \$500,000 for construction money for Perry Reservoir.

I also wish to include a resolution adopted by the chamber of commerce of Lawrence, Kan., on this same matter.

I ask unanimous consent that these resolutions be printed in the RECORD, and referred to the appropriate committee.

There being no objection, the resolutions were referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION OF THE CITY OF LAWRENCE, KANS.; DOUGLAS COUNTY KAW DRAINAGE DISTRICT; THE KAW BASIN WATER MANAGEMENT ASSOCIATION

Whereas the growth and development along the Kansas River in the vicinity of Lawrence, as well as the entire basin, points up the necessity for the rapid completion of authorized projects; and

Whereas it has become evident that we must use every means available not only to conserve but to control all of the sources of water supply: Now, therefore, be it

Resolved by the governing bodies of the city of Lawrence, the Douglas County Kaw Drainage District, and the Kaw Basin Water Management Association, That we respectfully urge the Subcommittee on Public Works of the Senate Appropriations Committee to recommend the appropriation of \$100,000 for local protection for the city of Lawrence, and \$500,000 for construction money for Perry Reservoir.

Passed and adopted by unanimous vote of the governing bodies of the agencies hereinabove set forth and signed by an appropriate

officer of each group, this 6th day of June, 1961.

For the city of Lawrence, Kans.:

HAROLD E. HORN,
City Manager.

For the Douglas County Kaw Drainage District:

WESLEY E. BRUNE.

For the Kaw Basin Water Management Association:

EMIL HECK, President.

RESOLUTION BY THE CHAMBER OF COMMERCE OF LAWRENCE, KANS.

Whereas the Lawrence (Kans.) Chamber of Commerce has in the past supported the program for controlling and conserving water in the Kansas River Basin; and

Whereas this program has now reached the point of progress to allow construction of the Perry Reservoir on the Delaware River, a tributary of the Kansas River; and

Whereas the Perry Reservoir is a vital flood control project of the Kansas River Basin plan, and planning moneys have been appropriated for the purpose of bringing planning up to a point where construction moneys can now be used: Therefore, be it

Resolved, That the sum of \$500,000 be requested of the Bureau of the Budget and the Congress of the United States, for use in beginning construction of the Perry Reservoir. Adopted this 8th day of June 1961.

WARREN RHODES,
President.

Attest:

E. R. ZOOK, Secretary.

TRANSFER OF MANAGEMENT OF SENATE RESTAURANTS TO ARCHITECT OF THE CAPITOL—REPORT OF A COMMITTEE—(S. REPT. NO. 424)

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original joint resolution (S.J. Res. 106) transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes, and submitted a report thereon; which joint resolution was read twice by its title and placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOLLAND:

S. 2094. A bill to convey all right, title, and interest of the United States in and to certain lands in Lee County, Fla., to E. Glenn Grimes and William C. Grimes; and

S. 2095. A bill to amend the act of July 14, 1954, providing for the conveyance of certain lands to the Armory Board of the State of Florida; to the Committee on Interior and Insular Affairs.

By Mr. MANSFIELD:

S.J. Res. 106. Joint resolution transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes; placed on the calendar.

(See reference to the above joint resolution when reported by Mr. MANSFIELD, which appears under the heading "Report of a Committee.")

NOTICE OF MOTION TO SUSPEND THE RULE — AMENDMENT TO AGRICULTURE DEPARTMENT APPROPRIATION BILL

Mr. RUSSELL submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 7444), making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, the following amendment, namely: On page 30, after line 17, insert the following paragraph:

"CENTENNIAL OBSERVANCE OF AGRICULTURE "Salaries and expenses

"For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the act of August 2, 1946 (5 U.S.C. 55a); \$100,000, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962."

Mr. RUSSELL also submitted an amendment, intended to be proposed by him, to House bill 7444, making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICE OF HEARINGS BY COMMITTEE ON FOREIGN RELATIONS—ACT OF INTERNATIONAL DEVELOPMENT OF 1961

Mr. FULBRIGHT. Mr. President, I desire to announce that the Committee on Foreign Relations will hear public witnesses on the bill, S. 1983, the Act of International Development of 1961, on Tuesday, June 20, in room 4221, New Senate Office Building. The morning session will begin at 10 o'clock, the afternoon session at 2 o'clock.

NOTICE OF RECEIPT OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Robinson McIlvaine of Pennsylvania, to be Ambassador to the Republic of Dahomey; and James Leonard Reinsch, of Georgia, and Jonathan W. Daniels, of North Carolina to be members of the U.S. Advisory Commission on Information.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the Appendix, as follows:

By Mr. KEATING:

Address by Senator CASE of New Jersey delivered before the Eighth Annual Conference of International Economic and Social Development, Washington, D.C., June 15, 1961.

By Mr. FONG:

Editorial entitled "Hawaii, Alaska, and Oregon," published in the Milwaukee Review of June 8, 1961, dealing with the question whether Oregon should repeal its law giving students from Hawaii and Alaska the privilege of attending Oregon public colleges at the same tuition rate as Oregon students.

By Mr. BRIDGES:

Article entitled "Do We Know What Really Is Happening Here?" written by Henry J. Taylor, and published in the Washington Daily News of June 14, 1961, dealing with the new administration's basic philosophy and intent with respect to Government spending.

By Mr. CASE of New Jersey:

Article entitled "The Junior College: New Gateway To Higher Education," written by John Van Camp and published in the AFL-CIO American Federationist for June, 1961.

THE FORCEFUL OCCUPATION OF ESTONIA, LATVIA, AND LITHUANIA

Mr. WILEY. Mr. President, 21 years ago on June 15, the Soviet Union forcefully occupied the three Baltic states of Estonia, Latvia, and Lithuania. Since that day, the national, cultural, and religious aspirations of the Baltic peoples have been mercilessly strangled.

While the imperialism of the Western nations in Africa, Asia, and elsewhere is speedily coming to an end, the imperialistic policy of the Soviet Union is becoming a major threat to the national aspirations of many peoples.

A mass meeting of American citizens of Baltic descent was held recently in Racine, Wis. At the meeting a resolution was adopted commending the American Government for its position with regard to the Soviet occupation of Estonia, Latvia, and Lithuania. I ask unanimous consent that a letter from Mr. Peter Petrusaitis, secretary of the Lithuanian American Council, Racine branch, and a copy of the resolution be printed at this point in the RECORD.

There being no objection, the letter and the resolution were ordered to be printed in the RECORD, as follows:

LITHUANIAN AMERICAN COUNCIL, INC.,
RACINE BRANCH,
AMERIKOS LIETUVIU TARYBA,
Racine, Wis., June 11, 1961.

HON. ALEXANDER WILEY,
Senate of the United States,
Washington, D.C.

MY DEAR SENATOR: Enclosed I am forwarding to you a copy of a resolution unanimously adopted at the mass meeting of American citizens of the Baltic descent of this community gathered to protest the forceful occupation of Estonia, Latvia, and Lithuania by Soviet Russia on June 15, 1940.

The mass meeting was held today at the St. Casimir's Parish Hall, 815 Park Avenue, Racine, Wis., and was sponsored by our organization.

I am,

Very truly yours,

PETER PETRUSAITIS,

Secretary.

Whereas this occasion marks the 21st anniversary of the forcible occupation of the Baltic nations by Soviet Russia; and

Whereas it is our never-ending hope that the Baltic countries of Lithuania, Latvia, and Estonia as well as all other captive nations will again be restored to the community of free nations; and

Whereas the Communist menace continues unabated with recent gains in establishing a base in Cuba, only 90 miles from the shores of the United States, creating turmoil, and chaos in southeast Asia and stalling nuclear negotiations in Geneva: Therefore be it

Resolved, That foreign policy based on vain promises and solemn eloquence fails to bring results but is harmful unless backed up by words and deeds; and further be it

Resolved, That unless increased attention is given to exposing communism's false claims and promises, the United States will continue to lose the cold war in the battle for men's minds; and, finally, be it

Resolved, That this mass meeting express its gratitude to the President of the United States and the legislative branch of the Government for maintaining steady course of foreign policy of nonrecognition the forceful incorporation of Baltic States into Soviet Union.

VIKTORAS KAZEMEKAITIS,
President, Lithuanian American
Council Racine Branch.

VALENTIN JAUNKALNIETIS,
Latvian Representative.

Mrs. OLGA MALBE,
Estonian Representative.

RACINE, WIS., June 11, 1961.

MOSCOW FALLACIES

Mr. WILEY. Mr. President, apropos much of the discussion presently occurring, particularly in regard to the future of Berlin and the impact of Berlin upon the foreign relations of the United States, I wish to point out that a very thought-provoking article, written by Erwin D. Canham, recently was published in the Christian Science Monitor. The article is food for thought. It does not "go off the handle," so to speak; but it thoughtfully analyzes the remarks of Khrushchev. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 12, 1961]

MOSCOW FALLACIES
(By Erwin D. Canham)

American and world public opinion now has a chance to study the two memoranda handed to President Kennedy by Premier Khrushchev at their Vienna meeting. The Soviets have finally given out these documents. They reveal shrewd and effective arguments in favor of the Soviet position on Berlin and Germany as a whole, on nuclear testing and on general disarmament.

There is nothing especially new in the arguments but they are likely to strike world

Calendar No. 397

87TH CONGRESS
1ST SESSION

H. R. 7444

IN THE SENATE OF THE UNITED STATES

JUNE 16, 1961

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. RUSSELL to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, viz: On page 30, after line 17, insert the following:

1 CENTENNIAL OBSERVANCE OF AGRICULTURE

2 SALARIES AND EXPENSES

3 For expenses necessary for planning, promoting, co-
4 ordinating, and assisting participation by industry, trade
5 associations, commodity groups, and similar interests in the
6 celebration of the centennial of the establishment of the De-
7 partment of Agriculture; and employment pursuant to sec-
8 tion 706 (a) of the Organic Act of 1944 (5 U.S.C. 574),

1 as amended by section 15 of the Act of August 2, 1946 (5
 2 U.S.C. 55a) ; \$100,000, including not to exceed \$20,000
 3 for additional printing costs of the 1962 Yearbook of Agri-
 4 culture, to remain available until December 31, 1962.

AMENDMENT

Intended to be proposed by Mr. RUSSELL to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

JUNE 16, 1961

Ordered to lie on the table and to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: Senate passed agricultural appropriation bill. Senate committee reported bills to: Increase and expand special milk program; permit harvesting of hay on conservation reserve acreage. House Rules Committee cleared housing bill. Rep. Berry criticized farm bill. Senate committee voted to report 30-year retirement bill.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1962. Passed with amendments this bill, H. R. 7444 (pp. 9990-2, 10023-40). Conferees were appointed (p. 10040).

Agreed to the committee amendments en bloc, and the bill as amended was considered as original text for purposes of amendment. pp. 9990-1

Agreed to an amendment by Sen. Russell to increase the item for marketing research, AMS, by \$75,000 for market facilities planning at Boston, Mass. p. 10038

By a vote of 26 to 64, rejected an amendment by Sen. Douglas, for himself and Sen. Williams, Del., to reduce the advance authorization for the 1962 Agricultural Conservation Program from \$250 million to \$150 million. pp. 10029-38

2. SPECIAL MILK PROGRAM. The Agriculture and Forestry Committee reported without amendment S. 146, to provide for use of not to exceed \$105,000,000 of CCC funds for the special milk program in the fiscal year 1962 (S. Rept. 437). p. 9966

Sen. Humphrey commended the special milk program and inserted statistics received from this Department on the program relating to the number of outlets participating in July and Aug. 1960 and the amount of milk consumed during these months. He also urged the Secretary "to use the farmer cooperatives and their facilities to the maximum extent practicable consistent with the accomplishment of the objectives of the programs and policies that are outlined in the so-called agricultural programs." pp. 10051-2

3. SOIL BANK; HAY. The Agriculture and Forestry Committee reported without amendment S. 2113, to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions (S. Rept. 436). p. 9966
4. SURPLUS GRAIN; WILDLIFE. The Agriculture and Forestry Committee reported with amendment S. 614, to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife (S. Rept. 435). p. 9966
5. PUBLIC LANDS. The Interior and Insular Affairs Committee reported without amendment H. R. 6422, to authorize an exchange of public lands (including Forest Service land) at the Cedar Breaks National Monument, Utah (S. Rept. 434). p. 9966
6. FOURTH SUPPLEMENTAL APPROPRIATION BILL, 1961. The Appropriations Committee reported without amendment this bill, H. R. 7712 (S. Rept. 427). p. 9966
7. PERSONNEL. The Post Office and Civil Service Committee voted to report (but did not actually report) with amendment S. 183, to permit Federal employees to retire on full annuity after 30 years service. The "Daily Digest" states that the bill was amended "to establish minimum age at 55." p. D481
The Post Office and Civil Service Committee voted to report (but did not actually report) with amendment S. 1458, to authorize the Federal Government to pay the costs of the transportation of the remains, families, and effects of Federal employees who die in service in Alaska or Hawaii. p. D481
8. FARM PROGRAM. Sen. Humphrey submitted an amendment intended to be proposed to S. 1643, the farm bill. pp. 9971-2
Sen. Pell inserted a magazine article, "Camouflage of Confusion," discussing various aspects of the farm program, particularly the size of CCC loans to wheat farmers. pp. 9988-90
9. FOREIGN AID. Sen. Javits inserted an article, "Red Bloc Spurs Aid to Neutrals -- Granted Billion in Economic Field Alone Last Year -- Trade Drive Pressed." pp. 9978-9
Sen. Muskie inserted an address by Secretary of State Rusk before the Eighth National Conference on International Economic and Social Development discussing the importance of continuing the foreign aid program. pp. 9981-3
10. FOREIGN TRADE. Sen. Ellender, and others, protested the shipment of Cuban molasses to the U. S. and urged that it be stopped. pp. 10015-6
11. YOUTH CONSERVATION. Sen. Humphrey inserted a statement by the Secretary of the Interior favoring the establishment of a Youth Conservation Corps, and a description of needed work on conservation projects and estimates of numbers of enrollees. pp. 10018-21

wheat session on the forenoon of the fourth day. After the speakers were through he arose and to the surprise of the audience said that for the past 6 years he had not sold a bushel to anybody—he sealed all his wheat for the Government loan. He concluded that the way to succeed in wheat farming was to concentrate on raising it and let the Government take care of selling it, or distributing it or giving it away. "As long as you folks want the wheat, I can produce."

The wheat farmers who are in trouble now are the smaller growers. They are small because they failed to take the chance to expand their enterprises in the 1940's, the Golden Forties when war hunger and post-war relief operations lifted prices from 70 cents to \$2.50 a bushel. These little fellows outnumber the business farmers two to one, but they produce only about a tenth of the crop. They are more numerous in cotton, and still more in tobacco, where their advantage as suppliers of cheap labor—their willingness to work for very little—is not offset by agricultural implements that can do the job for even less.

Wheat grows in flat country where the largest implements can be used: tractors with engines that develop as much horsepower as the heaviest trucks, special plows that disk or cultivate the soil as well as plow it in a single operation (wheat farmers call them "one-ways"), tandem drills or seeders with a 36-foot sweep and self-propelled combines that complete the harvest in one pass over the land. Against such competition the small wheat farmer operates precariously, nursing along his overage machinery by dint of his skills as an amateur mechanic and welder.

He's up against another difficulty, too. The Department of Agriculture keeps boosting the price of wheat in the United States—it is now about 54 cents a bushel higher than the average world price. As a result there is a mountainous stockpile of it, and so much new wheat accumulates every year that all efforts to sell, barter, donate or otherwise dispose of it have failed to reduce the surplus.

At the same time, on the production side, the Department tries to control output through a system of wheat-acreage allotments or licenses. It is administered by a force of 9,000 full-time and 3,500 part-time wheat inspectors and bookkeepers, or 1 official to 40 wheat growers. They register and check each allotment or right as part of a specific parcel of land. When any such land is sold, the next farmer buys the right along with the title deed to the property. These allotments are not stable, however; they continue to shrink in commercial wheat areas. They are being cut down by a quirk of the law that has backfired and encourages widespread wheat production in other areas. Marginal commercial operators with 500 to 700 acres, the farmers whom the law is supposed to help, are hurt most by this procedure. Meanwhile, whatever happens, the stockpiles of surplus wheat that have to be bought in by the Government to maintain the price continue to rise higher and higher. Last year's crop was 225 percent of domestic needs.

Congress put together the present wheat-allotment law in the late thirties to replace an older system of quota controls (so many bushels of production allowed to each farmer in proportion to the size of his operation and the capacity of the American consumer to eat it) which proved unworkable for an interesting reason. Farmers always overplant to make sure of reaching their production targets. Who can figure what the weather will be like a season ahead? The result was that overquota wheat kept turning up everywhere; black markets flourished from coast to coast. New legislation was drawn to remove temptation; bushel quotas were translated into acreage allotments at

the rate of about 13.3 bushels to the acre. It is so much more difficult for a man to hide the land on which his wheat is growing.

In those days, the difference between the price of wheat and other grains such as corn was small, as little as a nickel a bushel (now the difference is about 80 cents), and farmers in the poultry or livestock business used to raise some of it for feed along with rye, oats, and field corn. They outnumbered the regular wheat farmers and had more votes. If the full weight of the control program were imposed on them they might react and upset everything. So they were given 15-acre exemptions; anybody could grow that much wheat without penalty.

As the controls were applied, the price began to rise. Since the law prevented farmers from planting more, they paid increasing attention to their wheat yields. They began to use synthetic fertilizers and other growth stimulants. The yield of wheat on an acreage basis has now doubled while the bushel price has risen three and a half times. It has become much too valuable to feed to animals. Today the 15-acre exemptions are seriously in the wheat business too, and they are so numerous that they could swamp the commercial wheat growers in any referendum by a majority of 25 percent. These sideline wheat farmers are not only livestock and poultry men; they are also growers of garden truck, cotton, soybeans, tobacco, peanuts, and practically everything else produced for the market.

They are united by their ability to recognize a good thing when they see it. In fact, they see it so well that a wheat-State Senator complained, in the debate on a wheat bill in the last session of Congress, that they have taken to splitting up their farms under fictitious ownerships to create additional 15-acre allotments. Still others, he said, are renting these wheat rights from their neighbors far and wide.

Under this act of legislative wisdom, wheat acreage in Alabama has risen 537 percent, in Vermont 407 percent. These 15-acre exemptions generally give their wheat the kind of careful cultivation that collectivized peasants in Russia bestow on their private allotments. In good areas they grow three times as many bushels to the acre as the national average. We now have a full year's supply of wheat for the entire country just from these little patches.

Every time another one of those 15-acre plots is planted to wheat in places like Mississippi and Louisiana, farmers in the Great Plains who have been growing it all their lives lose the same amount of acreage, pro rata, when the next reapportionment is made. For the law provides that there shall be a national wheat allotment of no more than 55 million acres. There isn't any limit on the number of 15-acre privileges. Anybody can take up one if he wants it. So the commercial wheat farmers of Kansas have lost 494,000 acres of wheat allotments, Minnesota farmers 700,000 acres, and the wheat farmers of North Dakota 1,041,000 acres.

The wheat problem is a war baby that has never been weaned. It was born 44 years ago, when the United States of America got hitched to the First World War. This offspring of a shotgun marriage was put on a forced diet of dollars to make it grow because what the Allies wanted pronto were groceries and soldiers.

At that time large areas of our Great Plains were still a God-forsaken wilderness. The Homestead Act of 1862 was in full operation, with settlers dribbling in on the fringes to take up their quarter sections (one each for man and wife, or 320 acres per family). Soil scientists had just discovered that wheat would grow in such semi-arid country if it were planted in alternate years. Since any growth draws moisture from the soil they recommended a new kind of fallowing which

involved the destruction of every blade of grass on the uncultivated half of the farmer's acres for a year, then a turn around the next year, and so on. This procedure also required, of course, twice the acreage needed by farmers elsewhere. That was the reason for all those man-and-wife claims to acreage in the Great Plains.

To stimulate wheat farmers the Government guaranteed the price at a dollar a bushel extra, but the demand was so great that it rose still another dollar at terminal markets, making a top of 300 percent above the prewar figure. At the same time the land sown to wheat expanded about 50 percent—and this is the most interesting part of the story.

Boom-time wheat prices triggered a scramble for what was left of the free land. The virgin grasslands of Kansas, Nebraska, and Oklahoma were plowed up far and wide. So were the wild pasture lands in the semi-arid sections of Montana and in the western part of the Dakotas. Sharply rising prices for farm real estate back East reinforced the pressure: good Iowa plowland rose from an average of \$200 (in dollars of current value) to \$600 an acre, and some of it sold as high as \$1,200 an acre. A delirium of speculation in real estate and crops spread over rural America. We've had some of that in the past decade, though on a less frantic basis; nice and easy, in fact, with all crop-land owners feeling fine right up to the year before last.

What happens in such cases is that the expectation of rising profits from farm operations is capitalized into the value of the land on which (hopefully) even more money is going to be made.

People sometimes talk as if these inflated values of farmland are similar to the paper profits or unrealized capital gains of speculators in common stocks. That might be so if farmers put their acres in a safe-deposit box, like a bundle of stock certificates. They don't. They're in business on that land. They are tempted to use the new, big value of it as security for a new big loan or mortgage and expand their operations on still more high-priced acreage. Finally, the entire farm economy is jacked up to a price level which permits no backing down without loss. Even a pause in the pace of inflation may produce disaster.

That's what happened 17 months after the war in which the farm problem was born. Wheat was still selling a dollar higher than the figure at which the U.S. Government pegged it—yet when the Government withdrew, the bottom fell out. Prices promptly dropped a dollar and continued falling until they settled around 50 percent below the boom-time peak. The production of wheat, however, fell only 10 percent and fluctuated near that level until the Great Depression arrived a decade later. This is the clue to all the agrarian hell-raising that so infuriated the Sage of Baltimore. The price fell, export demand fell, domestic consumption remained stationary, yet farmers insisted on growing more wheat. They were driven to this irrational behavior by their mortgages and other debts.

The search for a farmer's Messiah began where you'd expect Americans to start, among the politicians. After discarding a succession of public figures they accepted a bankrupt implement manufacturer named George Peek. One day he was looking at the plunging sales charts of the Moline Plow Co., of which he was president. "You can't sell a plow to a busted customer," he decided; and then set to work to develop a gimmick that would raise farm prices at no cost to the U.S. Treasury.

Peek's homebrewed formula is of little interest because it could not have worked. However, the immense agitations involved in debating this nostrum through five Congresses solidified and disciplined the so-called

farm bloc and fixed in the heads of farmers a mischievous idea that aggravates the agricultural situation today. They stand united on parity.

What is parity? Briefly, it is a way to figure how much to raise farm prices so that farmers can enjoy the same standard of living as city people without any allowance for their investment income or inventory appreciation. Technically, it is the mathematical relationship or ratio between two indexes, "Prices Received by Farmers," and "Prices Paid by Farmers," and it is used to measure the purchasing power of products sold by farmers in terms of the things they buy as related, further, to prices and costs in a base period, 1910-1914, the most prosperous period for farmers since the Civil War. These complex figures are computed monthly by the Price Statistics Branch of the Agricultural Marketing Service of the Department of Agriculture in Washington.

Peek was a high-tariff man and an isolationist. He sold the farmers on the idea that his gimmick would enable them to enjoy the equivalent of the tariff protection which, they and he agreed, accounted for the health of American industry. A Government corporation would be set up to buy the whole crop of wheat, for instance, at the parity price; and the amount needed by American consumers would be resold to them at that price. The surplus left over would be sold abroad at the lower prices prevailing in the world market. To cover the loss on exports the Government would charge farmers a small equalization fee in advance. This assumed there never would be much surplus, even though farmers were again given an incentive price for wheat production.

In time, legislation for this crop was enacted by a Congress anxious to do something special for the farmers who suffered from the Big Wind that came after the Great Depression. However, as is the way of things, the beneficiaries were not the busted people Steinbeck talked about in "The Grapes of Wrath." They were the farmers in wheat areas untouched by the duststorms.

The Agricultural Adjustment Administration Act of 1938, which still prevails, provided for the national wheat allotment of 55 million acres, just a bit more than was then required to supply current needs, and permitted those 15-acre exemptions to give all farmers, commercial and noncommercial ones alike, a stake in the benefits. One contingency was overlooked—the progress of scientific agriculture in multiplying yields and increasing productivity. Considering what science had done for the farmer up to that time, this is a mystery. It was assumed that wheat cropping would bumble along on the same basis, around 13 bushels to the acre. But last year it was 26. In 1958 it was 27½ and thus, what with double-size yields and the 15-acre loophole for everyone, wheat has become the most widespread, wasteful, and ridiculous of the farm programs. The present wheat surplus is so awesome that cotton, tobacco and peanut Congressmen became alarmed about the possible effect of this scandal on their own programs last year. They debated measures for cutting it down to size in both Houses, but nothing happened because politicians are loath to cut back anything in an election year.

The wheat problem can't be handled without wringing somebody's heart. Does the new administration mean business this time? In the protracted wheat debates last year, Senators and Members of the House stood up and assured each other that something had better be done before the voters demanded instant action. Then other farm programs might be swept away too.

Remember the rotten eggs that smelled for miles and the thousands of heaps of potatoes along the roadside that were doused with kerosene or dyed blue? The farm bloc was then a mighty band. Now the farm bloc's

busted. Returns on the census of 1960 are out. The wealthier farmers have taken over so much of agriculture that the farm population has dwindled to 9 percent of the total. Their political strength is in the Senate and House Committees on Agriculture, not on the floor of Congress.

It's time for friends of the farmer to meet reality halfway. Wheat is the main problem. More farmers grow it than any other crop. The surplus stockpiles of wheat are the biggest, the storage and other overhead costs of the wheat program are the highest, and the outlook is the most hopeless. We are eating less wheat every year, and the rest of the world grows more, so we can look to increased sales neither at home nor abroad.

The wheat farmers of the United States received \$2 billion for their crop in 1959, a year in which production was a bit above average. Out of this total they had to pay their operating costs. These costs were debated on the floor of the Senate in the early summer of 1960, and it was decided that they averaged half the gross income from wheat. (Actually, the average production cost in the business is less.) When farmers paid their debts for operating expenses in 1959 they were left with a total net wheat income of \$1 billion.

Farm accountants figure interest on fixed and working capital, or the cost of the investment in land and implements plus bank loans or personal savings used in production, at the rate of 4 and 6 percent of asset or face value, respectively. At this point we must remember that the wheat industry is scattered and mixed up with other sorts of farm enterprises. We can only arrive at an approximation of the total charge for capital in that business. The average of charges for fixed and working capital as a percentage of net wheat income in five out of seven types of commercial wheat farms was 60 percent in 1959. Subtracting that percentage from the total net wheat income we have a return—call it pay or profit—of about \$400 million to wheat farmers and their families.

To enable them to make that much profit, the U.S. Department of Agriculture spent \$1,663 million for the stabilization and support of wheat prices in fiscal 1959. This is a net USDA figure for direct expenditures for this purpose only, without administrative overhead.

This cost for raising the price of wheat contrasts sharply with the amount of extra money farmers received as a result of the program. Last year the international price of wheat averaged \$1.24 per bushel, and the domestic price was maintained at an average of 50 percent more, or \$1.78. Thus one-third, or \$665 million of the \$2 billion received by U.S. wheat farmers for their crop in 1959 was added by the wheat-support program of the Department of Agriculture. But, as we have seen, the direct cost of that program was \$1,663 million. The difference between what the wheat farmers got and how much the Department spent to give it to them is \$1 billion.

Wheat is the inclusive farm problem. The first thing we have to recognize is that the 15-acre allotment holder is in wheat for an income supplement, then decide if he ought to get it, and if it should be given him in some other way. As for middle-size commercial growers, they've had several good years. They are worth, as a typical case in the CONGRESSIONAL RECORD showed, upward of \$175,000. They are able to finance some of their own adjustments.

The nine-tenths of us who are not farmers have to make a more difficult adjustment. Such waste in a world so troubled as ours argues that we are a reckless people, insulated from the realities that hurt other nations by a cushion of dollars, spiritless and evasive in the management of our own affairs—the natural prey of any pressure group that can raise a shout because we

respond by throwing out clouds of money. "Our grandchildren may well ask," said one of the Senators last June, "What manner of people were these who wasted the soil as though their lives depended on full production when there was no visible outlet for what they produced?"

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 397, H.R. 7444.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to and the Senate proceeded to consider the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that no points of order be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 3, line 4, after the word "to", to strike out "a total of \$50,000 for".

On page 3, line 10, after the word "stations", to strike out "\$76,558,000" and insert "\$78,015,500".

On page 4, line 5, after "(21 U.S.C. 114b-c)", to strike out "\$55,165,000" and insert "\$55,540,000".

On page 5, after line 6, to strike out: "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of that Act, to remain available until expended, \$5,265,000: *Provided*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant

to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses; and, in lieu thereof, to insert: "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development, research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of that Act, to remain available until expended, \$5,265,000: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Agricultural Research Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

On page 6, line 18, after the word "expended", to insert a colon and "*Provided*, That the Secretary may purchase land at a price not in excess of \$10 for construction of facilities at Columbia, Missouri."

On page 7, line 2, after the word "Agriculture", to strike out "\$34,053,000" and insert "\$36,053,000", and in line 5, after the word "all", to strike out "\$34,553,000" and insert "\$36,553,000".

On page 8, line 13, after "(7 U.S.C. 347a)", to strike out "\$57,220,000" and insert "\$58,220,000", and in line 16, after the word "all", to strike out "\$58,790,000" and insert "\$59,790,000".

On page 9, line 10, after the word "possession", to strike out "\$2,452,000" and insert "\$2,477,000".

On page 12, line 8, after the word "expended", to strike out "\$25,000,000" and insert "\$22,231,500".

On page 13, line 18, after the word "products", to strike out "\$9,049,000" and insert "\$9,364,000".

On page 14, line 15, after the word "laws", to strike out "\$8,688,000" and insert "\$8,978,000".

On page 15, line 13, after the word "evaluations", to strike out "\$4,515,000" and insert "\$4,795,000".

On page 15, line 18, after the word "States", to strike out "\$33,187,000" and insert "\$33,370,000".

On page 16, line 9, to strike out "\$1,400,000" and insert "\$1,325,000".

On page 16, line 19, after the word "Act", to strike out the colon and "*Provided further*, That for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the National School Lunch Act (7 U.S.C. 1758), not to exceed \$10,000,000 of this appropriation shall be available for assistance under sections 4 and 10 of that Act (42 U.S.C. 1753-1754) under such regulations as the Secretary may prescribe and without regard to provisions of that Act governing the apportionment of funds."

On page 17, at the beginning of line 14, to strike out "\$30,000" and insert "\$35,000".

On page 18, at the beginning of line 6, to strike out "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, \$3,444,000, to remain available until

expended: *Provided*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses" and in lieu thereof, to insert "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, \$3,444,000, to remain available until expended: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Foreign Agricultural Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

On page 19, line 15, after "(7 U.S.C. 1-17a)", to strike out "\$1,000,000" and insert "\$1,007,000".

On page 20, line 22, after the word "inclusive", to insert "and the amount of a State's basic allocation not so expended shall be available for the State's succeeding program in addition to such program otherwise authorized"; on page 21, line 17, after the word "practices", to insert "including related wildlife conserving practices", and in line 19, after the word "administration", to insert "except that hereafter not to exceed 15 per centum of the basic allocation for any State may be used to increase the State's preceding program".

On page 24, line 2, after the numerals "1961", to strike out "\$15,000,000" and insert "\$18,500,000".

On page 24, at the beginning of line 9, to strike out "\$300,000,000" and insert "\$312,000,000", and in line 13, after the word "than", to strike out "\$10,425,000" and insert "\$10,625,000".

On page 25, line 10, after the word "program", to strike out "\$125,000,000" and insert "\$195,000,000"; in line 11, after the word "program", to strike out "\$120,000,000" and insert "\$150,000,000"; in line 12, after the word "exceed", to strike out "\$70,000,000" and insert "\$50,000,000", and in line 13, after the word "and", to strike out "\$30,000,000" and insert "\$12,500,000".

On page 27, line 13, after the word "amended", to strike out "\$31,900,000" and insert "\$40,000,000"; in line 20, after the word "amended", to strike out "\$225,000,000" and insert "\$237,500,000", and on page 28, at the beginning of line 2, to strike out "\$25,000,000" and insert "\$37,500,000".

On page 28, at the beginning of line 13, to strike out "\$33,017,000" and insert "\$33,167,000".

On page 28, line 23, after the figures "\$3,650,000", to insert a colon and the following proviso: "*Provided*, That the Secretary may, if he finds it necessary for the more effective and efficient operation of the Department, transfer additional amounts to this appropriation from other appropriations available to the Department for salaries and expenses for the current fiscal year, but this appropriation shall not be increased by more than 7 per centum by reason of such transfers."

On page 29, line 14, after the word "Agriculture", to strike out "\$3,096,000" and insert "\$3,103,500".

On page 29, line 24, after the word "Department", to strike out "\$1,584,000" and insert "\$1,597,000".

On page 30, after line 17, to insert:

"CENTENNIAL OBSERVANCE OF AGRICULTURE
"Salaries and expenses

"For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$100,000, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962."

On page 31, line 10, after the word "members", to strike out "\$1,000,000" and insert "\$1,057,000".

On page 35, line 5, after the word "exceed", to strike out "\$47,500,000" and insert "\$47,916,000".

Mr. RUSSELL. Mr. President, I wish to make a brief statement with regard to the bill. It is the supply bill for the Department of Agriculture, which has greatly increased in size in recent years. The bill before the Senate provides \$5,967,382,500. This amount represents a very modest increase of \$18,916,500 over and above the amount provided in the bill as it passed the other body. The total amount contained in the bill before the Senate, however, is \$121,861,500 under the budget estimates.

APPROPRIATIONS FOR SPECIAL ACTIVITIES

The increase of \$1,939 million over the appropriations for 1961 is due principally to a doubling up of the appropriations for several items carried in the past as "Special activities." These items, such as sales for foreign currencies under Public Law 480, emergency famine relief, the International Wheat Agreement, and bartered materials for supplemental stockpile, total \$1,861,915,000 for 1961 costs.

It should be understood that these are reimbursements to the Commodity Credit Corporation, and the total sum is \$418 million greater this year than the amount that was carried for the same items in last year's bill.

The pending bill provides \$1,600 million of estimated costs for these items for fiscal year 1962, to put them on a current or pay-as-you-go basis. This is \$109 million under the budget estimate. If the costs of Public Law 480 programs exceed this amount, more funds will have to be provided later.

This appropriation of \$1,600 million makes it current and thereby provides the Commodity Credit Corporation with that much more borrowing authority for use in carrying out the regular price support programs.

RESTORATION OF CAPITAL IMPAIRMENT

The item for restoration of capital impairment to the Commodity Credit Corporation is \$1,017,610,000. This covers the balance of losses that were realized for fiscal 1960. The total losses for 1960 were \$1,612,100,000, of which \$594.5 mil-

lion were provided in the regular bill for 1961.

REGULAR ACTIVITIES OF THE DEPARTMENT

For the regular activities of the Department, the committee recommends an appropriation of \$1,397,822,500, an increase of \$39.6 million over 1961. This is \$12 million under the estimates, and \$18.9 million over the amounts carried in the bill as it came to us from the other body.

RESEARCH AND COOPERATIVE EXTENSION PROGRAMS

The committee recommends some modest changes in the appropriations for research, for the Federal research and the "Payments to States" item.

The bill provides \$78 million for the Agricultural Research Service, an increase of \$6,782,500 over the 1961 appropriations.

I may say that this is one item which is over the budget estimate and the amount recommended by the other body.

The bill provides for the first time \$1 million for a contingency research fund, to meet unforeseen and urgent research needs.

The committee also recommended a number of increases totaling one and a half million dollars for what it considers urgent needs on current research.

PAYMENTS TO STATE EXPERIMENT STATIONS

For the research payments to the State experiment stations, an increase of \$4 million over 1961 is proposed. This makes the total \$36.5 million. One million dollars of this is directed toward investigations of research on the elimination of weeds. This has become a very serious problem.

For payments to States for cooperative extension work, \$59,790,000 is provided. This is an increase of \$3.2 million of new funds for distribution to the various States under the formula.

SOIL AND WATER CONSERVATION PROGRAMS

For the agricultural conservation program, the committee recommends an advance authorization for the 1962 program of \$250 million, this being the amount that has been authorized for this program for many years.

For soil and water conservation programs administered by the Soil Conservation Service, the committee recommends \$176 million, an increase of \$20.8 million over 1961. This increase is principally for installing works of improvements in the watershed programs.

SCHOOL LUNCH PROGRAM

The committee recommends an appropriation for the school lunch program of \$125 million, an increase of \$15 million over 1961. I am sure all the Members of the Senate are aware that a much larger amount than that is furnished for the program through the allocation of surplus commodities and the expenditure of section 32 funds.

LOAN AUTHORIZATIONS

The committee recommends loan authorizations totaling \$318 million for the lending programs administered by the Farmers Home Administration. These authorizations are \$51 million over 1961 and are \$33 million over the amounts provided in the bill as it came from the other body.

For rural electrification loans, the committee recommends the full budget estimate of \$195 million, plus a contingency authorization of \$50 million, making a total \$245 million of new loan authorizations available for 1962.

For the rural telephone authorizations, a total of \$162,500,000 is recommended, of which \$12,500,000 is for contingency reserve authorization.

I believe that brief statement covers the larger items in the bill.

Mr. YOUNG of North Dakota. Mr. President, as the ranking Republican member of the Subcommittee on Agriculture Appropriations, I commend the senior Senator from Georgia for the excellent work he has done in handling this complicated and exceedingly important bill now before the Senate. Only modest increases have been made over the House figures. These are mainly increases in authorizations for the REA, RTA, and the Farmers Home Administration, all of which were well justified in the hearings.

The bill as a whole represents a very sound approach to the fiscal problems of agriculture, and the amount that is being asked for is needed.

I support the bill as reported by the Committee on Appropriations.

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished chairman of the subcommittee about a matter on which I addressed a letter to him, which appears at page 1090 of the hearings.

I ask unanimous consent that a copy of the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 24, 1961.

HON. RICHARD B. RUSSELL,
Chairman, Subcommittee on Agriculture,
Committee on Appropriations, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: There is a small fruit-breeding station at Southern Illinois University at Carbondale, Ill., and in connection with the work they have been doing, there is belief that they could use five greenhouses to good advantage.

It is estimated that the cost of such greenhouses would be approximately, and I repeat approximately, \$70,000 and an alleyway to join the greenhouses in the sum of \$30,000.

Representative ROBERT MICHEL, a member of the House Subcommittee on Agriculture Appropriations, has also made some comments in support of this project when hearings were held.

One of the reasons for the \$30,000 request for alleyways is that due to the nature of the project it is necessary to isolate the greenhouses.

Any consideration the subcommittee can give to this need will be appreciated.

Sincerely,

EVERETT MCKINLEY DIRKSEN,
U.S. Senate Minority Leader.

Mr. DIRKSEN. I may interpolate at this point by saying that the matter relates to the building of greenhouses for a fruit-breeding station proposed at the University of Southern Illinois. The whole amount involved would have been \$100,000, but it is my understanding that these greenhouses would have to be built on State, rather than Federal property, and that the committee is ap-

prehensive about setting a precedent that could have no end if that were done. I understand that the committee actually did approve the item, and then decided to take it out because of the State ownership of the land. I should like to have a little amplification as to what the committee would do if the State or University did surrender sufficient land to the Federal Government for this purpose.

Mr. RUSSELL. The committee was very anxious to provide for this item. We realize that the distinguished Senator from Illinois does not request a great deal from the Committee on Appropriations. We are familiar with his long record of dealing with the agricultural appropriations bill when he was a Member of the other body. He handled it for years. I do not know whether I should say it was at that time my "privilege" or "misfortune" to meet him in conference on many occasions, because in those days he was a very hard man to convince about the appropriation of money.

The committee considered this item. We approved it provided the funds were to be expended on Federal lands. The clerk of the committee investigated and ascertained that the Federal Government owned no lands at this installation. It is, I understand, a worthwhile State station, but we did not feel we could appropriate funds for the building of greenhouses on State land without yielding in the future to the numerous similar requests which the committee frequently receives. So we were compelled, regretfully, to deny the Senator's request.

There are instances, I understand, when title is conveyed to the Federal Government to lands on State stations. But in this instance we were powerless to assist the Senator on this item.

Mr. DIRKSEN. The Senator may or may not be able to answer, but in the event sufficient land were conveyed to the Federal Government for this purpose, what, in the Senator's judgment, would be the action of the committee?

Mr. RUSSELL. It is always difficult to undertake to predict what action any committee of the Senate will take; but if this were a cooperative project—and I understand that State experimental work is carried on there with both State and Federal funds—I know of no reason why the committee should not approve this very modest request, if the greenhouses were to be constructed on lands owned by the Federal Government.

Mr. DIRKSEN. I thank the distinguished Senator from Georgia.

BERLIN—A STRATEGIC AREA

Mr. BRIDGES. Mr. President, the city of Berlin today occupies in world affairs one of the great strategic areas of the world.

I intend to discuss this issue from a bipartisan point of view. As the senior Republican in the U.S. Senate, it is my judgment that the paramount question to which the Berlin issue relates in many aspects is that of our national survival—and the survival of this Nation

below the national average more effort should be made. But I think it is clear that the majority of the States who would be aided have tried, and, having tried, have not been able to keep pace with the ability of the larger, urbanized States with a greater industrial base, in meeting their school needs.

In summary, there is a Federal responsibility to do part of the job to bridge the educational gap which exists in our Nation. President Eisenhower and the last Republican administration recommended Federal aid to education. The Republican Party, in 1960, in our platform unanimously endorsed this principle. Vice President Nixon campaigned on it. Now is the time for action. And I think Lincoln, under whom the great Land Grant College Act was enacted, would agree.

Sincerely yours,

THOMAS H. KUCHEL.

PROPOSED REPEAL OF 4 PERCENT CREDIT FOR DIVIDENDS RECEIVED FROM DOMESTIC CORPORATIONS

Mr. KUCHEL. Mr. President, one year ago today, the Senate, by a margin of 1 vote, approved an amendment to repeal the 4 percent credit for dividends received from domestic corporations. The vote was 42 for repeal, 41 against repeal, and 17 absent and not voting. I call the roll on that dismal, hypocritical occasion:

Yeas, 42: Anderson, Bartlett, Bible, Byrd of West Virginia, Cannon, Carroll, Case of South Dakota, Church, Clark, Cooper, Dodd, Douglas, Engle, Ervin, Frear, Fulbright, Gore, Gruening, Hart, Hill, Jackson, Johnson of Texas, Lausche, Long of Hawaii, Long of Louisiana, Lusk, McCarthy, McGee, Mansfield, Monroney, Morse, Moss, Muskie, O'Mahoney, Pastore, Proxmire, Symington, Talmadge, Wiley, Williams of New Jersey, Yarborough, Young of Ohio.

Nays, 41: Aiken, Allott, Bennett, Brunsdale, Bush, Butler, Byrd of Virginia, Capehart, Carlson, Case of New Jersey, Chavez, Cotton, Curtis, Dirksen, Dworshak, Ellender, Fong, Hickenlooper, Holland, Hruska, Javits, Johnston of South Carolina, Jordan, Keating, Kuchel, McClellan, Martin, Morton, Mundt, Prouty, Randolph, Robertson, Saltonstall, Schoeppel, Scott, Smathers, Smith, Stennis, Thurmond, Williams of Delaware, Young of North Dakota.

Not voting, 17: Beall, Bridges, Eastland, Goldwater, Green, Hartke, Hayden, Hennings, Humphrey, Kefauver, Kennedy, Kerr, McNamara, Magnuson, Murray, Russell, Sparkman.

That regrettable rollcall, on that regrettable occasion, convicted the Senate in my judgment, of favoring double taxation. It was an ill-considered and contemptuous assault on the investment in American business by the ordinary citizen. It went the "soak-the-rich" advocates one better: it proposed to soak anybody, big or little, whose faith in the Nation prompted him to buy stock in American corporate business. It was, therefore, an assault upon our system of free, competitive enterprise. Our people are grateful to the House conferees who steadfastly refused to go along.

Now comes the administration, urging that this Congress vote the selfsame repealer which the last Congress refused to do. I speak today briefly, Mr.

President, to urge the Senate, particularly the new Senators and those who were absent from last year's rollcall, to weigh carefully the retrogressive effects of the administration's position, and to oppose it when again we confront it on this floor.

The President has sent the Congress a number of proposals for change in our tax laws. With some of them, I am in agreement. But I propose today to take vigorous exception to wiping out the woefully small relief presently available against two income tax "bites" into the same dollar of profit. I oppose, too, his request for withholding on income of this type.

In 1954, at the request of the Eisenhower administration, the Congress amended the Internal Revenue Code to provide with respect to dividends, from domestic corporations, first, an exclusion of the first \$50 of dividend income, and second, a 4-percent tax credit on the balance.

This action was taken from a variety of compelling reasons. There can be no moral or equitable justification in having the Federal Government take two income tax bites out of the same dollar of profit; the tax credit provided is some slight relief from double taxation, far less than that afforded under the tax laws of other nations in the free world. Far more will be gained from interesting our people in security holdings by giving them some incentive to invest in American business.

Senators know that an American corporation, with some slight exceptions not relevant here, pay 52 cents out of every dollar of profit to the Federal Government under the revenue laws. If any or all of the remaining 48 cents is distributed to the owners, that is, the stockholders, a second income tax is levied on what is distributed again under Federal revenue laws. Thus the stockholder is taxed from 20 percent up, on the same profit dollar from which 52 cents has already been taken. Thus, even at the lowest income levels, the effective tax rate for the individual stockholder is 62 percent, and up—three times the rate the lowest-bracket taxpayer would otherwise be called upon to pay. If the business were not a corporation, the 52-percent tax bite would not, of course, apply. If the business were a partnership, if the stockholders were partners, the Federal revenue laws would provide—as they should provide—for one tax bite only on each dollar of profit.

A very large percentage of today's shareholders are persons of modest income. According to the New York Stock Exchange Census of 1959, there were 12.5 million shareholders in 1959. About 3.5 million of these had annual family incomes under \$5,000. Another 6 million shareholders had incomes between \$5,000 and \$10,000. This means that families with incomes of \$10,000 or less accounted for about 60 percent of the dividends on 1958 income tax returns. Furthermore, the exclusion alone relieved about 3 million taxpayers—one-fourth of all shareholders—from the

entire double tax burden. Contrariwise, the President contended that the credit and exclusion gave either insufficient or no relief to shareholders with smaller incomes. I deny it, and point to the foregoing facts.

It may be worthwhile to bear in mind that the exclusion and credit give relative or proportional relief to all shareholders. Obviously, the more dividend income, the greater relief against two Federal bites. But those in this category carry the greatest burden of the dividend tax in absolute dollars. We cannot slight the fact that stockholder investment is essential to the very commencement of any corporate enterprise. Without stockholders to provide some or all of the capital, the corporation could not commence business or provide employment opportunities other than by borrowing. And the smaller and more speculative the enterprise, the more necessary is stockholder investment.

Tax treatment of dividends, thus, can either discourage or encourage broadening the base of equity financing. The 1954 provisions have accomplished one of its goals—an increase in individual investment. Stockholders today number over 15 million, more than double the number in mid-1954. While many factors have gone into this remarkable growth, the dividend exclusion and credit have certainly played an important part.

At this particular time, there can be no doubt as to the urgency of speeding up our annual rate of growth. In the light of this, how can we even contemplate a measure—this proposed repealer—which is inconsistent with the attempt to encourage a climate favorable to capital investment?

With the encouragement of our economic health in mind, we could, I think, learn from the examples of other countries, most of which afford special treatment to dividend income.

In 1949, the Canadian Parliament adopted a 10 percent tax credit for dividends. Official evaluation of this step toward greater equity and increased investment was so favorable that the Dominion Government, in 1954, subsequently increased the tax credit for dividends from 10 percent to 20 percent.

Great Britain treats corporate and individual tax identically with that part of the tax paid by the corporation credited to the individual. The result is an elimination of double taxation, and an impetus to investment in England.

And the tax policies of Canada and Great Britain are not merely isolated, successful cases. Many other governments afford special treatment to dividend income, ostensibly to eliminate or alleviate penalizing the investor, and thereby encouraging investment and growth.

Some countries levy no tax whatsoever on dividends received by individuals. This is the practice in Costa Rica, Finland, Indonesia, Iraq, Ireland, Lebanon, Liberia, Venezuela, New Zealand, and Nicaragua, among others.

Other countries, such as Argentina, Israel, and Japan, give credit on per-

sonal income tax for dividends received by individuals or corporate income taxes paid by the companies declaring these dividends.

Still other countries, Belgium and Germany among them, tax distributed profits at a lower rate than undistributed profits or exclude them from the corporate tax base.

Among those nations treating dividends more leniently than the United States are several of the fastest growing nations in the world—in economic terms, not population. While the forces responsible for economic growth are diverse and complex, nevertheless, we must acknowledge that among the primary determinates are the level and expansion of investment.

If we attempt to restrict that investment by allowing the President's proposal to materialize, we may well be reducing the level of private funds available for financing our own economic expansion. If such were the case, debt financing would become more favorable. I need not go into depth for this body when I say that debt financing is an undesirable development. It tends to decrease the financial flexibility of business. It makes our free system more vulnerable in periods of depressed economic activity.

There may be even a more serious implication to this course of action. Equity capital is most important to small business. The big corporations can get by. What is the point of putting all the small business relief provisions into our tax law, if, at the same time, we initiate actions which will make it substantially more difficult for the small businessman to attract needed capital?

Finally, on the subject of the dividend allowances, no discussion of any tax law is complete without a discussion of the revenue yield. The administration anticipates a revenue gain of \$450 million per year, if the repealer is approved. True, there may be more revenue for the Government in the short run, but the long-run repercussions may well result in decreased revenue to the Government. The 1954 law did not reduce tax revenues. By broadening the investment base, revenues from dividends have actually increased by about \$200 million annually ever since.

WITHHOLDING

In order to obtain full payment of taxes, the Treasury Department has proposed a system of an across-the-board withholding of 20 percent on dividend and interest income. Of course, everyone is in accord with the objectives of the Treasury to obtain full payment of all taxes legally due and owing. Taxable dividend and interest income must be fully reported on Federal income tax returns. Nevertheless, in this instance, I can think of no more cumbersome method than the withholding procedure.

As indicated by the statistics on stockholders, the number of small investors is so great as to make the effort perhaps more costly than the realization of unreported taxes. Career people in the Internal Revenue Service have told me this is their view.

Permit me to expand on this point. Anticipating the consideration of mandatory withholding, the American Bankers' Association took a sample survey of 300 commercial banks.

The most revealing finding obtained from the survey—

According to testimony in behalf of the ABA before the House Ways and Means Committee—

is the very large concentration of small savings accounts.

It is significant to note that two-thirds of the savings accounts in the reporting banks pay less than \$15 in annual interest. Another 15 percent pay annual interest between \$15 and \$45. Only one-half of 1 percent of the accounts received interest in excess of \$600.

If we project this representative sample to the 52 million savings accounts nationwide, approximately 34 million savings accounts in commercial banks earn interest amounting to less than \$15 a year. One need not be too imaginative to deduce the amount of unnecessary bookkeeping as a result of the multitudes of small accounts.

The National Association of Mutual Savings Banks, representing 515 mutual savings banks, reached a similar conclusion:

The great majority of regular accounts in mutual savings banks have small balances.

The prevalence of the small depositor can be still further verified by figures sent to me, at my request, from the Bank of America. Almost 4 million depositors with the Bank of America have accounts under \$500, and 3¼ million of these have accounts under \$100.

Another factor to be considered in connection with the proposed withholding is refunding. Without a doubt, refunds under such an arrangement would reach phenomenal proportions—and phenomenal costs.

By 1962, there will be an estimated 11 million accounts held by individuals 65 years of age or older; a large percentage of these would be eligible for refunds. Another 5½ million accounts will be held by individuals under the age of 20, most of whom would also be entitled to refunds. Finally, there are the many depositors who, in any event, would be entitled to refunds, because the effective tax rate on their income will be less than 20 percent.

With all these factors, it should be obvious that no practical withholding system can possibly be achieved. It is complicated still further by another Treasury proposal. Under this proposal, provision is made for a quarterly refund of withheld tax of \$10 or more on dividends and interest received during the previous 3 months.

Banks and corporations, already burdened with Government paperwork, would become the tax collectors of America. It would be particularly onerous to all savings institutions. Not only affected under the proposed system by the withholding of interest and dividends paid to their own stockholders and depositors, they would also be encumbered by the withholding of the dividends of

many organizations for whom they act as paying agents.

There surely must be a more reasonable solution to curbing tax evasion or avoidance. It should be reasonable to assume that the Government itself could undertake the responsibility of seeing to it that there is more complete reporting of interest and dividends. Over the next few years, it should be possible for the Internal Revenue Service, by means of electronic data processing, to make more effective use of information to prevent underreporting or failures to report. This, also, is the opinion of career people in the Internal Revenue Service.

The acceptance of either recommendation—the discontinuance of the tax credit on dividends and the establishment of a withholding system for dividends and interest income—carries with it the elements of inequality and unsound economics. Such an approach would hamstring American banking and industry. As a member of the Senate Committee on Appropriations, I would be happy to aid the Internal Revenue Service in any way that I can by approving legislation enabling them to employ additional qualified agents to uncover those who are failing to report dividend and interest income.

The average individual, by savings and investment, is endeavoring to help himself and his family prepare for the future and to assure greater independence in the years of retirement. In so doing, he is adding to the economic strength of the Nation. Thus, for the sake of our citizenry and of our system of free, competitive enterprise, we cannot afford to penalize efforts of self-help by the people of the country.

Withholding taxes on dividends and interest only complicates the issue. Aside from the staggering amounts of auditing required, such a proposal siphons off from the investment stream moneys otherwise available for investment and expansion.

We grew to greatness as a Nation by putting our private capital to work. Why now discourage this when the challenges of the day demand still greater strength from the Nation and from the system of free enterprise? The Senate, in my opinion, ought to reject both these proposals.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUSSELL. Mr. President, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fis-

cal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER (Mr. Hickey in the chair). The bill is open to amendment.

Mr. DOUGLAS and Mr. HRUSKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DOUGLAS. Mr. President, for myself and the Senator from Delaware [Mr. WILLIAMS], I call up an amendment and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 21, line 19, after the word "to," strike "\$250,000,000" and insert "\$150,000,000."

Mr. DOUGLAS. Mr. President, I think we should all know precisely what the amendment would do and what it would not do. The amendment proposes to reduce the so-called agricultural conservation program advanced authorization for the calendar year 1952, from \$250 million as stated in the bill before us to \$150 million and hence to make a saving of \$100 million.

The Agricultural Conservation Program to which my amendment relates is not the soil conservation program. It is sometimes called a part of the soil conservation program, but it is very important we realize it really has almost nothing to do with soil conservation.

The Soil Conservation Service does a very excellent job in spreading knowledge of, and assisting in the practice of, conservation operations such as contour plowing, terracing, prevention of wind- and water-erosion, prevention of floods, and the new program to conserve the Great Plains.

In the bill under consideration approximately \$176 million is to be provided for the Soil Conservation Service. This amendment would not touch a single cent of that amount. What this amendment would do is require the reduction of ACP expenditures for limestone, phosphate, and other chemicals; for the draining of marshland; and for certain irrigation programs.

In the budget which President Eisenhower submitted on the 16th of January he requested an ACP advance authorization of \$100 million for the program for calendar year 1962. When President Kennedy reviewed the Eisenhower budget he raised President Eisenhower's request by \$50 million, to \$150 million. However, the House Appropriations Committee raised that by \$100 million more, to a total of \$250 million.

There was a very lively debate on the floor of the House on this matter, but the advance authorization of \$250 million was finally upheld on a rollcall vote by 184 to 196. Those who wish to consult the debate will find it in the CONGRESSIONAL RECORD for June 6 at pages 8953 to 8960.

According to my rough estimates based on actual ACP assistance expenditures for 1959, the latest year for which data is available, of the \$100 million by which the amendment seeks to reduce the ACP authorization, approximately \$73 million would be spent for lime, phosphate, and

other commercial fertilizers to be placed on the soil. These chemicals would increase the yield of land in the first year and they would have similar effect, to some degree, in the second year. These are not permanent soil-conserving or soil-enhancing expenditures.

The application of lime, phosphate, and other chemicals is designed to increase current yields. At a time when American taxpayers are being asked to spend several billions of dollars to reduce acreage, and therefore to reduce production of farm goods, it is extraordinary that we now propose to spend \$73 million to increase production of farm products. Such a proposal raises the question of how foolish we can be. How can we, on the one hand, seek to reduce production of farm products in order to eliminate the surplus and raise income—and I believe farm income will be raised if output is reduced because of the inelastic demand for farm products—and at the same time expend \$73 million for lime, phosphate, nitrogen, and other chemicals designed to increase yields per acre? Such proposals are beyond my understanding.

I realize that the program is well established. I realize that since 1936 more than 406 million tons of liming materials have been put on the land of this country under the ACP program. A very powerful limestone lobby has been built up, a lobby which is always present when appropriation bills are considered, and which always seeks a large appropriation. Lobbies in other branches of the fertilizer industry are extremely busy. In fact, the bill is more properly one to help the fertilizer lobby than it is to help the farmer. Its whole purpose is contradictory to the purpose of reducing production of farm products.

ACP expenditures for 1959 also indicate that the \$250 million authorization would result in expenditures of some \$16 million for drainage of excess water from the marshlands of the country. Such drainage will have the ultimate effect of increasing the acreage available for the raising of farm products at a time when, presumably, we are trying to decrease the acreage elsewhere. Such expenditures would diminish the area of marshlands which now give shelter to ducks and geese, of which there is a shortage. So we would spend \$16 million to diminish the hunting opportunities of those who like to shoot geese and ducks at the same time the Department of the Interior is being given added funds with which to flood lands and create more shooting facilities.

The program is contradictory, not merely from the standpoint of encouraging land productively in the face of other programs to reduce surpluses, but also with respect to the removal of so-called excess water, which results in the bringing into crop production of more lands and in the destruction of badly needed wildlife havens currently being artificially created under other Government programs.

Additionally, the \$250 million authorization would provide some \$11 million for the reorganization of irrigation sys-

tems and the leveling of irrigation land. Such programs are also in large part contradictory, for reasons similar to those already stated.

Mr. President, if we are really for economy, I believe I have shown one of the first places where we should begin. Last week we provided a subsidy of \$165 million a year, or \$1,800 million over the course of 11 years, to the large trucking companies and the truck lobby. Today we would continue a subsidy of \$73 million a year to the fertilizer lobby.

I believe that we should return to the recommendation of the President of the United States. Sometimes the President is criticized by Senators on the other side of the aisle, and sometimes by Senators know, I am for the welfare desiring to spend too much money. As Senators know, I am for the welfare programs of the President. But I have pointed out a case in which the Congress is trying forcibly to stuff the President's budget with an added \$100 million, which he did not request, which fulfills no defensible purpose, and which I hope will be eliminated.

Mr. RUSSELL. Mr. President, I do not agree with all the conclusions stated by the Senator from Illinois, but I commend him for attacking a program in which he does not believe, but which is very generally utilized in his own State. He is entitled to great credit for courage on that score.

Mr. DOUGLAS. I am perfectly well aware of the fact that Illinois would receive more than \$5½ million. An attaché of the committee came to me prior to this time and said, "I understand you are going to try to cut off money from your own State."

I defend the interest of my State, but I put the interests of the taxpayers of the United States first.

Mr. RUSSELL. Mr. President, I am not responsible for any statements made by any attachés of the committee. I have made my statement. I did not direct or suggest that any attaché of the committee approach the distinguished Senator from Illinois. I had no knowledge of it. Had I thought it would be done, I would have interposed a very vigorous objection, because I know how the Senator from Illinois resents approaches of that kind.

The Senator is being consistent. Many times persons oppose programs that would not benefit their own States. It would be easy for a man in my part of the country to oppose irrigation projects in areas where such projects are proposed. Another would vigorously oppose flood control programs in other sections of the country. I do not agree with the Senator's conclusion. In my opinion, the proposed program is one of the most valuable programs affecting agriculture that has been in existence in this country over a long period of years.

I do not know where the Senator obtained his figure of \$73 million for fertilizer. I am sure that he got it from some authoritative source. The figures I have been able to obtain indicate that for liming, 16 percent was spent throughout the entire country, but in

the State of Illinois the percentage is 41 percent.

On page 446 of the Senate hearings appears a graph or chart which shows the way in which liming is used. If Senators will turn to that graph, they will see that in the Great Lakes area liming is the primary program that is utilized. In my part of the country liming is not such a popular practice. People practice terracing, the planting of cover crops, the planting of forests, and other things of that nature.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I am happy to yield.

Mr. DOUGLAS. The Senator said that he did not know where I obtained my figure of \$73 million for liming and fertilizing. I refer him to the volume entitled "The Agriculture Conservation Program: Statistical Summary 1959," table 20, page 95, which shows that the total for liming in 1959 was \$37,993,015, and that commercial fertilizers

amounted to \$34,821,132, making a combined total of \$72,814,147.

Mr. President I ask unanimous consent that there be printed at this point in the RECORD, this table, titled "Amount and cost-share per ton of liming materials, and total assistance for liming materials and commercial fertilizers, agricultural conservation program, by States, 1959."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 20.—Amount and cost-share per ton of liming materials, and total assistance for liming materials and commercial fertilizers, agricultural conservation program, by States, 1959

REGULAR ACP

State	Liming materials ¹				Assistance for commercial fertilizers ²		Assistance for all minerals ³	
	Amount ⁴	Cost-share per ton	Assistance		Total	Portion of State total	Total	Portion of State total
			Total ⁵	Portion of State total				
	Tons	Dollars	Dollars	Percent	Dollars	Percent	Dollars	Percent
Alabama	240,420	3.28	787,684	13.30	2,351,702	39.71	3,139,386	53.01
Alaska					6,010	10.18	6,010	10.18
Arizona								
Arkansas	346,038	2.94	1,018,369	21.63	650,605	13.81	1,668,974	35.44
California	4,955	2.38	11,784	.23	73,336	1.45	85,120	1.68
Colorado					25,755	.86	25,755	.86
Connecticut	15,024	4.39	65,940	15.78	182,874	43.77	248,814	59.55
Delaware	45,448	4.07	185,110	56.95	15,555	4.79	200,665	61.74
Florida	174,866	3.97	694,028	25.50	914,255	33.60	1,608,283	59.10
Georgia	278,008	4.36	1,213,044	16.58	3,061,973	41.85	4,275,017	58.43
Hawaii	264	14.02	3,700	2.10	19,312	10.96	23,012	13.06
Idaho					16,454	.98	16,454	.98
Illinois	1,925,065	1.59	3,055,407	42.26	2,601,218	35.98	5,656,625	78.24
Indiana	1,440,650	1.68	2,424,719	45.33	141,492	2.64	2,566,211	47.97
Iowa	756,717	1.58	1,193,505	21.83	70,188	1.28	1,263,693	23.11
Kansas	270,136	2.34	632,277	10.19	202,429	3.27	834,706	13.46
Kentucky	832,179	1.76	1,462,026	21.54	1,750,141	25.78	3,212,167	47.32
Louisiana	153,014	5.18	792,935	18.92	930,287	22.19	1,723,222	41.11
Maine	62,156	6.99	434,432	47.27	334,839	36.43	769,271	83.70
Maryland	172,770	3.69	636,910	50.47	171,401	13.58	808,311	64.05
Massachusetts	59,179	5.38	318,556	59.56	98,261	18.37	416,817	77.93
Michigan	317,342	2.94	933,743	25.29	323,244	8.76	1,256,987	34.05
Minnesota	483,918	2.00	969,227	18.12	453,839	8.48	1,423,066	26.60
Mississippi	283,053	3.87	1,096,396	17.00	2,407,002	37.33	3,503,398	54.33
Missouri	1,604,964	2.00	3,204,446	34.05	2,743,829	29.16	5,948,275	63.21
Montana					10,092	.35	10,092	.35
Nebraska	70,153	2.17	152,155	3.04	36,414	.73	188,569	3.77
Nevada					8,230	2.34	8,230	2.34
New Hampshire	22,146	5.71	126,505	24.54	211,399	41.02	337,904	65.56
New Jersey	33,559	4.36	146,440	22.01	77,407	11.64	223,847	33.65
New Mexico					4,018	.21	4,018	.21
New York	660,724	4.28	2,825,914	61.72	464,954	10.16	3,290,868	71.88
North Carolina	380,936	4.41	1,679,197	27.45	1,778,849	29.09	3,458,046	56.54
North Dakota								
Ohio	1,136,658	2.35	2,667,473	48.47	169,019	3.07	2,836,492	51.54
Oklahoma	100,251	3.31	332,192	4.97	845,382	12.65	1,177,574	17.62
Oregon	42,092	6.46	272,113	12.49	71,421	3.28	343,534	15.77
Pennsylvania	591,796	3.84	2,270,554	46.74	1,307,730	26.92	3,578,284	73.66
Puerto Rico	188	4.00	752	.09	536,680	63.43	537,432	63.52
Rhode Island	3,693	4.81	17,746	23.30	27,743	36.41	45,489	59.71
South Carolina	95,573	3.31	316,478	9.16	512,321	14.84	828,799	24.00
South Dakota					53,946	1.17	53,946	1.17
Tennessee	662,900	2.21	1,462,021	7.20	1,890,491	9.32	3,352,512	16.52
Texas	126,808	4.21	533,447	10.47	3,183,826	62.50	3,717,273	72.97
Utah					1,818	.14	1,818	.14
Vermont	79,706	3.76	299,674	32.11	426,515	45.70	726,189	77.81
Virginia	328,460	2.58	847,265	19.28	1,975,050	44.95	2,822,315	64.23
Virgin Islands					52	1.20	52	1.20
Washington	4,935	6.08	29,991	1.95	153,406	9.95	183,397	11.90
West Virginia	145,572	3.69	537,659	22.75	701,430	29.67	1,239,089	52.42
Wisconsin	1,220,870	1.92	2,341,201	45.57	773,645	15.06	3,114,846	60.63
Wyoming					53,293	2.60	53,293	2.60
Total	15,173,186	2.50	37,993,015	19.79	34,821,132	18.14	72,814,147	37.93

¹ Includes data for the liming materials used under National Bulletin Practice A-4, and for all other practices which included cost-shares for liming materials. The tonnage item was computed on the basis of the total cost-share for all liming materials used and the county average rate of assistance, as reported by counties on form ACP-300.

² Includes all eligible minerals other than liming materials.

³ Includes liming materials and commercial fertilizers.

⁴ In terms of standard ground limestone equivalent.

⁵ These data are included in the applicable columns for the related National Bulletin practices contained in table 2 and are not in addition to such data.

Mr. DOUGLAS. That was the figure which I used, approximately \$73 million. I submit that is the correct figure for 1959, and that it is the best estimate that we have of the amount that will be spent under the appropriation for calendar 1962.

Mr. RUSSELL. I am not disposed to debate the details of this program with the distinguished Senator from Illinois, but, in my opinion, the table to which he refers not only includes the cost of the fertilizer and all of the lime and phosphate, but it also includes a number of other items which go with it, and it is not exclusively devoted to the acquisition of the fertilizer.

But whether that is true or not, I wish to point out that very State of the Union has a right to prescribe its own soil conservation program, subject, of course, to review here in Washington, and to cancel any practices for which demands are too great or which are otherwise inappropriate or not applicable.

In the last few years we have found it necessary to freeze the program throughout the Nation, because of the disposition on the part of the Department of Agriculture here in Washington to impose its views on the State committees.

I wish to say, too, that this plan is the most economical program the Department of Agriculture has ever promulgated to assist farmers. We had the so-called conservation reserve under the soil bank. That deals with many of the same practices that are applicable in this program, and the Federal Government supplied the cost of the full program by paying the cost of installing the practice and then continued to pay rent on the land for 3 to 10 years, whereas under this program the Federal Government pays 50 percent of the practice, and that ends its responsibility and liability. Under this program we have planted 3 million acres of trees. There is no liability for rental payments over a period of years, as there is in the so-called conservation reserve program under the soil bank.

I am surprised that the distinguished Senator from Illinois should pay such high tribute to the Soil Conservation Service on the one hand, and attempt to be so critical of this program on the other hand, because these two programs go hand in hand; indeed, there is a provision in the pending bill which permits the utilization of a small percentage of these funds for the soil conservation districts, and, as I recall, that has amounted to \$7½ million a year. These funds support activities of the soil conservation districts, and the supervisors of the soil conservation districts often prescribe conservation practices that are carried out under this program as a means of developing and improving conservation of our soil and water resources in this country through the utilization of these very modest payments. This is a program which has been in existence for a great number of years. It may be that in some sections of the United States it has been abused in the acquisition of lime and other fertilizer materials. I refuse to be too critical of the

lime industry for their activities which might be denominated as lobbying. I do not know that they are greatly different from what is pursued by any other beneficiary of any other Federal program. They all have their Washington offices. They all have their ways and means of appearing to undertake to protect their interests. It is true that representatives of the limestone industry have appeared before our committee from time to time to support this program. That is not greatly different from any other program of which I have any knowledge, and I refer not only to the Maritime Commission but to other aspects of Government.

Mr. DOUGLAS. Mr. President, I am not fully acquainted with the entertainment provided by the various lobbies. Is it true that the Limestone Institute gives very good dinners?

Mr. RUSSELL. I would not know about that. I have never attended one. I cannot qualify as an expert in that field. Perhaps, some of our brethren who have attended such dinners may wish to purge themselves. If they wish to do so, they may do so now. I have never attended one myself. If any of our colleagues has attended such a dinner, apparently they do not desire to herald that fact on the floor. However, that is not greatly different from any other lobbying activity in Washington. I have been invited to dinner by every conceivable kind of organization that is present in Washington to promote its interests in the expenditure of Federal funds.

I have received many invitations to attend dinners. The meat people have a dinner. The milk people give a dinner. The homebuilding people give a dinner. I suppose I get invitations perhaps a hundred times a year to go to some kind of dinner given by these various organizations. I have not attended any of them for a number of years. When I first came to Washington, in my innocence I did go around to a number of these dinners. However, for the last 20 years I have attended none of them.

Mr. President, that is all I desire to say on the merits of the issue, that is, that the conservation of the soil and water in our country is worth the expenditure of this very modest \$250 million each year. That expenditure generates expenditures of approximately \$600 or \$700 million a year for this purpose. The farmers must contribute at least 50 percent. In many cases they contribute more. It is true that efforts have been made to reduce the program. It was cut down in the 80th Congress, over very violent opposition on my part in the Senate. The recently retired Secretary of Agriculture, Mr. Benson, endeavored violently to cut this program. The budget estimate for 1958 was \$125 million; in 1959, \$100 million; in 1960, \$100 million; in 1962, the earlier estimate was \$100 million. Congress was so convinced of the merits of this program that it carried it on at \$250 million a year.

When I analyze all of the different items in this enormous agricultural bill,

I must say that in my opinion the future welfare of this Nation is better served by the expenditure of this \$250 million than by any equivalent sum that is carried in the bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield.

Mr. MORSE. Each year I have had the privilege of rising on the floor of the Senate to commend the Senator from Georgia for his statesmanship in regard to the agriculture appropriation bill. I do not want to miss the opportunity to do it again this year. Again I wish to thank him in behalf of the best interests of our country. He knows my views on the subject of conservation. I strongly support him.

I was disappointed some time ago, when I fought on the floor of the Senate for conservation of open spaces in connection with the housing bill, to find some of my good friends in the Senate voting against that proposal. That was a mistake. I believe it would be making a mistake to vote against conserving the soil of this country for future generations.

The Senator knows my speech on this subject. I am not going to repeat it. However, I believe that it has never been successfully answered. It is simply that he and I and all the rest of the American people are but the trustees of this land. No farmer owns a farm in the United States. All the farmer has is a legal title to it, recorded in the courthouse.

But it really belongs to future generations. It is God's gift to us, and we have the obligation of serving as trustees in order to leave it in better condition. The Senator from Georgia knows the meaning of trusteeship in connection with soil conservation. I applaud him again for his leadership.

Mr. RUSSELL. I thank the Senator from Oregon, both for his kind words and for his cooperation in sustaining this very important program.

Much could be said to illustrate the vital importance of the program to future generations. I shall not discuss that subject in detail. However, it so happens that 1 million acres of land in this country are being taken out of cultivation every year for the construction of highways and airports and for the development of subdivisions to take care of our almost exploding population. One million acres a year are gone.

When I first came to the Senate, there were about 5½ acres of cultivable land for every person in the United States on which to furnish the food and fiber necessary for his sustenance. Due to the decrease in the number of acres and the increase in the population, less than 3 acres of land are now available for the support and maintenance of every American and that amount will decrease as the years pass. That trend charges the Congress with the fearful responsibility of making certain that those acres which remain in production will prove adequate, so far as we can project our minds into the future, so in that the Americans who will follow in succeeding generations will have available to

them the soil necessary to provide the good life which we now enjoy.

Mr. CAPEHART. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. CAPEHART. How much money does the bill provide for the Agriculture Research Service? I think that is title I. How much money is provided for the finding of new uses for farm products to be used in industry and for new markets for farm products?

Mr. RUSSELL. It would take a few minutes to compile that information. For utilization, research, and development, a little less than \$20 million is provided.

Mr. CAPEHART. I do not find that in the report. Under what heading is it?

Mr. RUSSELL. It is not in the committee report. This is a very large volume, and the subject is covered in much detail in it.

Mr. CAPEHART. Where does it appear in the report?

Mr. RUSSELL. It is not in the report.

Mr. CAPEHART. Under what heading is it?

Mr. RUSSELL. It is under research, which is the first item in the report.

Mr. CAPEHART. The amount under research, the first item, is \$71 million.

Mr. RUSSELL. I believe it is \$78 million.

Mr. CAPEHART. Yes, \$78 million. What proportion of that amount will go toward the finding of new uses for farm products in industry and for new markets?

Mr. RUSSELL. A little short of \$20 million.

Mr. CAPEHART. And the balance of it?

Mr. RUSSELL. Oh, it goes for all kinds of research—to develop new seeds and new strains to cope with diseases which attack plants. It provides for insect control and many other research activities.

Through the test tube, we have seen the most spectacular increase in the production of agricultural commodities in this country that the world has ever seen. Despite all his economic difficulties, and handicaps the American farmer is unchallenged as the leading agricultural producer of the world.

We talk about this, that, and the other thing, and put much of the blame for what is happening on Khrushchev and the Soviet Government. However, one area in which we have unquestioned superiority is the American farm. Each American farmer produces many times as much as the Russian farmer; and the Russians have food shortages, while we have surpluses. One American farmer furnishes more food and fiber than 23 of his fellow Americans can use. In Russia one farmer affords scanty fare and clothing for two of his fellow Russians.

Mr. CAPEHART. I am in hearty accord with the amount of money which is appropriated for these purposes, and I have always been. I have no objection to it at all. I think it is a worthwhile cause.

Mr. RUSSELL. I may say to the Senator that that is not all the money which is provided; this amount is for purely Federal activities. Some \$36 million are

also provided for the State experiment stations, which do a large amount of research in cooperation with the Federal Government.

Mr. CAPEHART. I am in hearty accord with the program as the Senator from Georgia has outlined it. I am in hearty accord with the work of the State universities.

However, one of the things which I think we as a Congress ought to do—and I have been talking about it and introducing bills concerning it for many years—is to show the farmer how to grow and produce more and more for new industrial purposes. I believe we make a mistake when we do not appropriate money and pass legislation to spend whatever amount of money is necessary to discover new uses for farm products in industry, so that when the farmer produces bigger crops, as a result of the money Congress is appropriating to show him how to do so, he will have the markets for them. That is what I have been fighting and arguing for over a period of many years. I think it will require separate legislation, because laboratories and other facilities must be provided.

Mr. RUSSELL. The Senator from Indiana has made many interesting statements about the many benefits which could flow from a crash program for increased agricultural production for industrial uses.

Mr. CAPEHART. I should like to have new uses found for cotton, corn, and wheat. If we help the farmer to grow more per acre, then we should help to provide larger and newer markets for what he grows. That will require separate legislation. I shall offer a bill for that purpose or an amendment to a farm bill, if that be appropriate.

Mr. RUSSELL. As I recall, the Senator from Indiana has offered such a proposal in previous years.

Mr. CAPEHART. I believe I am correct in stating that the Senate passed such a bill on three occasions, but on each occasion the House failed to do so. I wish to make a record now, because to me such a proposal is the only real solution to the farm problem. We are now considering a \$6 billion appropriation bill for the benefit of farmers.

Mr. RUSSELL. All of that amount is not for the farmers. About \$3.4 billion is provided for foreign aid.

Mr. CAPEHART. We are giving away surplus food products because there is no market for the surpluses which are grown.

Mr. RUSSELL. That is correct.

Mr. CAPEHART. We propose to spend \$2 billion, or whatever the amount is, for agricultural foreign aid because the farmers grow more than they have a market for.

When a farm bill is before the Senate, I shall offer an amendment to this effect. I should like to see whatever amount of money is necessary, spent to develop new uses and markets for surplus farm products—and not only surplus products, but also to enable the farmers to grow more and more.

My vision of the American farm is to have every acre tilled every year, to grow

more per acre, instead of paying the farmers for not growing, but letting the land lie idle. I should like to see new industrial uses developed for the farm products, so that farmers may grow more and more, and not less.

If that can be done, as the able Senator from Georgia knows so well, then the general economy of the Nation will be improved. The railroads and trucks will haul more farm products; the farmer will buy more fertilizer, more lime, more gasoline and oil, and the general economy of the country will be improved.

Mr. RUSSELL. The Senator from Indiana overlooks one important factor. The Nation will save the expense of disposing of surplus farm produce.

Mr. CAPEHART. The United States will be saved hundreds of millions of dollars.

I hope the Senate this year will again legislate on this subject as it has on a number of occasions in the past. Then I hope the House this year will concur in the action of the Senate, so that we may move forward with a program to develop new uses for farm products in industry; so that we may enable the taxpayers to save the hundreds of millions of dollars a year which are spent to buy the surplus products which farmers grow; and thus to improve the general economy of the Nation.

Throughout our Nation's history, there have been times when new industries and new products have improved the economy. Before the 1900's, it was the railroads. Later it was heavy industry. Then came the automobile industry, and in the last 20 years it has been the electronics industry.

Mr. RUSSELL. Electronics offers great possibilities for a program of finding new uses, such as the Senator speaks of.

Mr. CAPEHART. As a manufacturer and as one who has had much to do with research, I can visualize a 20-year period in which money could be spent for research, engineering, and new plants in order to develop new uses for farm products in industry. I believe we would find that such a program would give a boost to the general economy of the Nation, would reduce taxes, would increase employment, would create new jobs, and give the economy a real lift.

I am so sold on the idea that I think if we had gone into it in earnest 10 years ago, or less, we would today possibly have no unemployment. We would have general prosperity without subsidies, and would benefit industries and farmers.

I know the able Senator from Georgia has always been in favor of this sort of thing.

Mr. RUSSELL. The Senator from Indiana has indeed been a valiant exponent of a real program of utilization research and development.

Mr. CAPEHART. I thank the Senator from Georgia.

Mr. AIKEN obtained the floor.

Mr. CLARK. Mr. President, will the Senator from Vermont yield for a question? I thought the Senator from Vermont desired to ask a question; but, first, I should like to ask a question, if I may.

Mr. AIKEN. I yield briefly.

Mr. CLARK. Can the Senator from Georgia advise me whether the amount recommended by the committee for this item exceeds the amount set forth in the budget?

Mr. RUSSELL. It does; it exceeds it by \$100 million.

Mr. CLARK. Will the Senator from Georgia state why the committee felt as it did?

Mr. RUSSELL. Yes; I shall be glad to do so. In my opinion, a program of \$250 million is as small a program as we can carry on and still justify the administrative expense involved in the program. If the program is cut to \$150 million, the administrative expense is just as great as it is for a \$250 million program—or almost \$40 million. In my judgment, it would be preferable to eliminate the program entirely, rather than make it a \$150 million program, because I do not think we could justify spending almost one-third for administrative purposes.

Mr. CLARK. I thank the Senator from Georgia.

Mr. AIKEN. Mr. President, coming from a State which has cooperated 100 percent on the ACP program since the first year it began, I have perhaps more than usual interest in this program.

When the Senator from Illinois states that we need no more acres to support our population today, he is correct—provided the population would remain stable. When he says the lime and fertilizer business is a good business, he is also correct. Our agriculture makes good business for many persons. As of the recent reports from the Department of Agriculture, more than 7 million persons today are working on the farms, and more than twice that number are supplying farm materials or are processing farm commodities. So, actually, today at least one third of all the people of this country depend upon our farms for their living.

When the Senator from Illinois states that the farmers obtain some increased benefits from the application of lime and phosphate, he is also correct, because a good farmer will obtain increased benefits from the application of lime, from the second year until the twentieth year, when most of its value will have been lost.

The Senator from Illinois might also have said that despite the benefits received, today the per capita farm income is something less than half the per capita income of all the people of the United States.

The reason why we have to keep this program going and the reason why we have had to keep it going is that we wish to keep ahead of our requirements.

I have no sympathy with those who say we should produce only what we need, and that that is all there is to it. Instead, we must look ahead.

The work we do under the ACP, as I have said, is most important. The value of the super phosphate will probably be gone in 5, 6, or 8 years; I am not quite sure how long it will take. The value of the lime which is applied to the soil will remain in the ground to some degree for nearly 20 years, and then it will be necessary to apply more lime.

However, the reforestation work that is carried on is of benefit to those who will come two or three generations from now. Undoubtedly, a farmer who plants trees today will never see them harvested, unless he is a young man and unless he happens to be planting slash pine or the pulp pine which now is grown extensively in some of the Southern States.

The other work of leveling the ground and providing ditches, drainage, and so forth, will be there for the next generation, and the generation after that, to make use of.

Our population is increasing at the rate of 3 million a year; and when the value of lime which is applied today is completely exhausted from the land, the population of our country will be at least 60 million more than it is today.

As the Senator from Georgia has pointed out, we are losing a million acres of land a year for housing developments, factories, airports, highways, and for other purposes. Unfortunately, much of that land is our best land—particularly that which is taken for housing developments and for industrial purposes.

Today, our food production is the strongest argument we have in dealing with other nations. When our representatives sit down at the bargaining table with the representatives of other countries, the very fact that we have a large supply of wheat, grain, and other farm commodities at our backs strengthens our hand tremendously; and it goes without saying that many countries of the world which today are associated with us are now considered friends of the West because we were able to meet their requirements for food and fiber at times when perhaps they could not have continued to exist as independent or democratic nations if we had not been able to help them in that way.

As the Senator from Oregon has said, we hold this land in trusteeship for those who will come after us; and I believe we must hold this land in good condition.

Frankly, I am worried because of the strenuous efforts being made to reduce the production of our farms today, because we will need it sooner than we now realize. Therefore, I say we must keep the land which now remains—that which remains after we take out of production the land that is needed for the construction of airports, highways, and so forth—in the very best condition, for the benefit of those who will come after us.

Thus, Mr. President, I support the bill, rather than the amendment submitted by my friend, the Senator from Illinois.

Mr. STENNIS. Mr. President, I shall certainly be brief in my remarks in support of the position taken by the committee in regard to the pending matter, and also in regard to the position taken by the committee in regard to the Douglas amendment. In support thereof, I have a very pertinent and at the same time quite an interesting and revealing statement made by Dr. Byron Shaw, before the Senate Appropriations Committee, at the hearings this year. Dr. Shaw is given to making accurate statements; and in his official testimony he stated:

The Nation's consumers are not aware of the great savings that come to them as a re-

sult of improved farming efficiency. If our farmers were using today the methods they used in 1940, it would cost an extra \$13 billion—or 40 percent more than was spent in 1959—to produce the Nation's food and fiber. This figures out to \$288 for each family in the country.

In other words, Mr. President, improved efficiency, improved methods, better land, better fertilizers, and a combination of these, have improved methods so much since as recently as 1940 that the consumers are saving \$13 billion a year—or, in 1959, 40 percent of the cost—in their expenditures for food and fiber; and that amounts to \$288 for each family.

Let me say that one of the major contributing factors in this great saving and reduction has been the investment which has been made over these years in this very program of ACP payments that improve the land and the production.

Mr. CAPEHART. Mr. President, will the Senator from Mississippi yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from Mississippi yield to the Senator from Indiana?

Mr. STENNIS. I yield.

Mr. CAPEHART. Is it not unfortunate, however, from the farmer's standpoint that, as the able Senator has just stated, although he is possibly in the most efficient of our industries, producing foodstuffs costing the consumer some \$13 billion less than it would have many, many years ago, yet the farmer is making so little profit or money and is so hard up, because the prices he receives are so low?

That is true in every phase of farming. The farmer is engaged in a cost-price squeeze. It is discouraging to the farmer to feel that he is so efficient in producing foodstuffs, and produces them so cheaply in comparison with everything else the consumer purchases, that he makes very little money, if any. It is one of those things that I think is not good in America.

Farming is our biggest industry. Yet it is suffering, although it is efficient and is contributing much to the wealth of the Nation, because foodstuffs are produced so cheaply compared to wages and everything else the farmer has to buy.

Mr. STENNIS. The Senator's alertness in the subject has covered another related point of Dr. Shaw's testimony, when he says:

However, returns to labor from 1 hour of farmwork in 1950 averaged only 75 cents, compared to earnings from an hour's factory work of \$2.22.

Another surprise to many was the statement that "investment per worker in farming now averages \$21,300, compared to \$15,900 per worker in manufacturing industries."

So there is a striking comparison of investment and return, as well as an increased saving to the consumer.

Mr. CAPEHART. Which makes it so much more important that the Government should attack the farm problem on the basis of finding new uses and markets for farm products, so there may be a greater demand for what the farmer grows and produces.

Mr. STENNIS. I know of the Senator's very timely interest and support of the subject which he mentions.

Mr. President, I think the Senator from Georgia [Mr. RUSSELL] and other Senators have fully covered the merits of the pending proposal and the figure inserted in the bill by the committee, and I conclude my remarks on that subject.

I may be compelled to leave the Chamber when other sections of the bill are discussed. I want to mention one item with reference to the valuable Extension Service, which extends through 50 States. The committee, based on a calculation considered to be correct, intended to provide enough in the item "Payment to States" in the Extension Service to approximately equal the salary increase voted for last year for civil service workers, when we increased their salaries 7½ percent. According to this calculation, the increase in the bill available for those purposes, plus the increase in last year's raise and available for that purpose, will approximately equal the Federal share of the salary increase—a very wholesome provision that I feel sure will have the unanimous support of the Senate. It is hoped this figure will be adequate to meet that intention. If it does not, it will certainly be the purpose of the Senator from Mississippi, and I believe other Senators, to make up the amount next year, so as to generally equalize the Federal share for that important purpose.

Mr. President, I ask unanimous consent that a statement on the subject may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN STENNIS IN SUPPORT OF APPROPRIATIONS FOR EXTENSION SERVICE

Included in the agricultural appropriations bill by the Senate Appropriations Committee is an item of \$59,790,000, for payments to States for the Extension Service, representing an increase of \$3,212,000 over the fiscal year 1961 appropriation. Included in this bill also is \$2,477,000 for the Federal Extension Service, an increase of \$25,000 over the House bill and \$23,000 under the budget request.

These increases will make it possible to provide State and county extension personnel with more adequate salaries, in line with the percentage increase granted to Government employees last year. Further, these additional funds will permit the employment of a very limited number of specialized personnel at the Federal level. This will enable the Extension Service to strengthen its educational efforts in efficiency in production and marketing, farm and home management, understanding of Government programs, family living, forestry, and 4-H Club work, with special emphasis on the rural areas development program.

At no time since the inauguration of extension work has the job required a higher degree of skill. Modern agriculture is highly complex, requiring the best scientific knowledge and technical know-how.

The Cooperative Extension Service is the educational and informational arm of the U.S. Department of Agriculture and the land-grant colleges. It is positive education in action. With the many farm problems confronting us at the present time, these additional funds are necessary for the Extension Service to effectively perform its task of

getting research and technical information to farmers, along with furnishing factual information about the programs of the Department of Agriculture to farmers and other people of the Nation.

Throughout the years I have strongly supported appropriations and programs to strengthen our Agricultural Extension Service, because I think the program is the foundation of a strong and prosperous agriculture.

In a large part of the country, including Mississippi, agriculture is still the biggest industry. I know that in my State over 40 percent of all people who work in agriculture or in business depend directly upon farming and farm products. The value of extension work to the agricultural economy of the Nation cannot be measured, but anyone familiar with progress in agriculture will testify that extension work is primarily responsible for many of the outstanding accomplishments over the years. Our extension agents employ a wealth of experience and continuous training in agriculture at the grassroots, helping our farmers improve their methods and crops.

Extension work is an outstanding example of the real result of Federal-State cooperation, and I urge the Senate to approve this appropriation, including the increases, to continue this work which means so much to the country. Surely, no one program of the Federal Government means so much to so many people.

Mr. STENNIS. Mr. President, again, for the reason that I may be compelled to leave the floor, I ask unanimous consent that an additional brief statement be inserted in the RECORD at this point on another item in the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN STENNIS IN SUPPORT OF APPROPRIATION FOR STAFFING BOLL WEEVIL LABORATORY AT MISSISSIPPI STATE UNIVERSITY

Included in the agriculture appropriations bill by the Senate Appropriations Committee is an item of \$395,000 for staffing the boll weevil research laboratory at Mississippi State University.

The boll weevil, our No. 1 agricultural insect pest, needs and should have the full attention of our scientists. It must be controlled, and I firmly believe it can be eliminated entirely as a major cotton problem. New methods of insect control employing radiant energy, new insecticides, and germ warfare—all harmless to humans, but effective as insect killers—look promising in the fight to eliminate the weevil.

When we review carefully all our agricultural research projects, I do not believe we can find a single problem more critical or more pressing than boll weevil eradication. This pest has been a problem for many years and is one of the most destructive and costly factors in cotton production. This insect alone has resulted in a loss of billions of dollars to the cotton farmer and the cotton industry, and is a major cost factor in about 80 percent of the total cotton acreage in the United States and affects more than 95 percent of all cotton producers.

In recent years, the boll weevil has caused an average annual direct loss of more than \$300 million in yields. This annual loss has been suffered although many growers have spent 5 to 6 cents per pound for control measures. Indirect costs resulting from deterioration in quality and immature fibers have also been severe.

My own State of Mississippi has suffered the highest boll weevil loss of any State in the Cotton Belt. During a recent 5-year period, estimates indicate the Mississippi cotton farmers lost 2½ million bales of cot-

ton to the boll weevil and over a million tons of seed—a total cash loss of \$407 million. The boll weevil threat will be even greater in the years ahead if we do not find a sound method of eradication.

Mr. President, the Congress has already appropriated funds for the construction of a boll weevil research laboratory at Mississippi State University, and it is rapidly nearing completion. This laboratory will be ready for full operation early during the next fiscal year. The appropriation of \$395,000, included in the present bill, is for necessary staffing of the laboratory for the first year's operation. It should be approved so that this vital research work can be commenced.

Mr. STENNIS. Mr. President, I yield the floor.

Mr. WILLIAMS of Delaware. Mr. President, I believe the Congress and the Government does have the responsibility of enacting those measures which will protect the soil of the country, and I have supported such measures, but I do not believe the amendment of the Senator from Illinois, which I have cosponsored, provides any restriction of soil conservation in this country.

For instance, the drainage program in which the Government participates would not be restricted if the amendment were adopted. All that we are trying to do is to stop the giving away by the U.S. Government of a lot of free lime and fertilizer to increase the productive capacity of our farms at a time when we have more production than we know what to do with.

At a time when we have \$8 billion to \$10 billion worth of surplus crops, at a time when the Government is supporting the production of crops at a profit to benefit the farmers, and at a time when the Government is paying \$40 to \$50 an acre to take land out of production, it does not make sense to have the Government provide free fertilizer and lime in order to increase productivity on the land which is left in production.

This fact that this was not needed was recognized by the preceding administration, by both the President and the Secretary of Agriculture, and the increased appropriation is opposed very properly this year by the present Secretary of Agriculture. I repeat, the Bureau of the Budget has not approved the additional \$100 million, nor do I find where the Secretary of Agriculture, Mr. Freeman, has recommended it as being necessary. To the contrary, they said it is unnecessary and contrary to the other phases of the agricultural program. They are in favor of our amendment to cut this \$100 million.

I think it is time we stop and ask ourselves the question of how long the Government can continue to borrow money, paying interest on it, in order to increase the productive capacity of land on the one hand, and borrow money and pay interest in order to take agricultural land out of production on the other hand. It is these contradictory programs which are bankrupting us.

Someone may say that \$100 million is a small part of a \$6 billion program, but \$100 million is still a lot of money to provide over and above the sum which was recommended by the Bureau of the Budget and over and above what was testified was necessary by the Depart-

ment of Agriculture. It means \$2 million a week. That is \$400,000 a day for a 5-day working week. It means \$50,000 an hour for each 8-hour day.

If we do not accept the amendment we shall be paying out \$100 million above the budget request to increase the productive capacity of farms to increase the agricultural surpluses being stored in Government warehouses.

I think it would be much better to strike out the provision for \$100 million, and then restore in the bill a small amount of money for research. Research is something which farmers cannot do for themselves. The Government can really help by providing more research. Certainly, more research is something we need. For too often we find the Government and unfortunately the committees of Congress being miserly whenever we approach research programs, but at the same time we spend millions of dollars on programs which in effect hurt rather than help the farmer.

This \$100 million is not for conservation of the soil. Let us be realistic—it just produces more crops.

I think the \$100 million should be stricken out in the name of good commonsense, not only for this program but also in order to cut back the cost of the storage program for storing surplus agricultural commodities. It will still leave \$150 million for other real conservation programs.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. Is the pending amendment an amendment to eliminate something from the bill?

Mr. WILLIAMS of Delaware. I have joined the Senator from Illinois in an amendment to reduce the \$250 million item to \$150 million, which is exactly the amount recommended by the Bureau of the Budget and by the Secretary of Agriculture. Our amendment would reduce the appropriations to be provided by the bill by \$100 million.

Mr. LAUSCHE. The reasoning supporting the amendment of the Senator from Illinois and the Senator from Delaware is that on the one hand we are paying money to reduce farm production, and, on the other hand, by such a provision in the bill we would be paying money to increase production. One or the other is wrong, both cannot be right.

Mr. WILLIAMS of Delaware. The Senator is correct. I think I have had as much experience with agriculture as some other Senators. The argument that one can build the soil up for 20 years in advance is misleading. By putting on fertilizer and lime today that will not be the result. The effect of the fertilizer will be gone in a couple of years, and the lime will last not more than 5 years. Those items must be put on the land at regular intervals. Fertilizer in most areas should be put on the land every year, and lime should be put on every 3 or 5 years at the outside.

This free lime and fertilizer means increased production on the farms and more agricultural commodities to be put into Government warehouses.

It is a direct contradiction with respect to the program upon which we are spending hundred of millions of dollars to take land out of production, good agricultural land, in order to cut down the surpluses. I think this will be a complete waste of money in itself and, in addition, it will cost us another \$40 to \$50 million to support and to store the agricultural commodities which will be produced as a result of spending the \$100 million.

The amendment should be agreed to. Mr. LAUSCHE. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. The statement of the purpose which has motivated the Senator from Illinois and the Senator from Delaware in espousing the amendment declares the soundness of it. I simply cannot see why we should, on the one hand, pay to take land out of production so as to reduce surpluses, and, on the other hand, pay \$100 million to increase production or to make the land available 20 years from now for increased production.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. DOUGLAS. This increased production potential is not to be used 20 years from now. As the Senator from Delaware has said, phosphate would improve the yield for perhaps 2 years. Lime, as I understand the situation, would improve the land for not more than 5 years. These are not permanent processes of soil building, but temporary processes to increase yields. Like the flowers of the field, they will shortly vanish and disappear.

Mr. LAUSCHE. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. I gladly subscribe to the views expressed by the Senator from Illinois and the Senator from Delaware, and I shall be glad to vote for the amendment.

Mr. WILLIAMS of Delaware. I thank the Senator from Ohio and the Senator from Illinois. I certainly hope the amendment will be agreed to.

I think in the field of good, constructive research the Government can very properly spend even more money than it has spent, but I do not think we would be helping the American farmer by refusing to adopt this amendment. The strongest support given before the committee—and I have read the testimony—was by the Limestone Institute, by the people who will sell the lime. The proposal was opposed by one of the leading farm organizations of America.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. COOPER. I support the bill and the chairman of the committee in the argument for the increased appropriation. I say that at the beginning. I have always supported these programs.

I believe there might be an implication, on the part of one who reads what the Senator has said, that fertilizer and limestone apply directly toward the production of row crops or grain, which

are in surplus; for example, corn or wheat. Is it not correct that the fertilizer and lime to be made available under the program could not be applied to the land in the year in which they are made available toward the production of grain or row crops?

Mr. WILLIAMS of Delaware. Perhaps; but it does not mean anything, because, as I said before, the lime will improve the soil for an average of 3 to 5 years and the fertilizer will improve the soil for a year or two. The lime and fertilizer can be applied to the soil this year with a cover crop, then next year the farmer can have a corn crop and thereby get the benefit. Therefore, the program would increase the production of the land, as the Senator from Kentucky well knows.

Mr. COOPER. I understand the purpose of the program is to improve the soil and to promote better soil practices. I believe it could be inferred by someone who did not understand—I know it is not the Senator's intention to give such an implication—that the fertilizer and lime are to be used in a year to produce the crops which may be in surplus in that same year. That, as the Senator knows, is not the true statement of fact.

Mr. WILLIAMS of Delaware. The fertilizer and lime may not be used in the same year, but they will produce increased crops for the next year. Crops are being produced this year with last year's lime, and the Government will put those crops into a Government warehouse. Those crops are being produced with the free lime and fertilizer furnished last year. While the crops may come along a year late the answer is the same although technically they may not be crops resulting directly from the use of fertilizer and lime in the year in which it is provided.

Mr. COOPER. For example, if in 1961 lime or fertilizer should be applied to a particular acreage, there would be grass or some legume on that acreage and not corn or wheat or some crop in surplus. That is correct; is it not?

Mr. WILLIAMS of Delaware. The lime would be good for an average of 3 to 5 years, depending upon the soil. The fertilizer would provide benefits for 1 or 2 or 3 years. The mere fact that the lime and fertilizer are put on in 1 year and that corn or wheat or some other crop is not produced that particular year would not mean anything. The fertilizer and lime would produce those same crops the next year. It will be in use over a 5-year period of time. The field can be used the next year to produce surplus crops. That is certainly true. The result is the same.

Mr. COOPER. In each year the particular acreage is withdrawn.

Mr. WILLIAMS of Delaware. In each year the particular acreage is withdrawn as a result of the Government paying another \$40 or \$50 per acre under another program.

Mr. COOPER. The acreage is withdrawn from the production of the crop each year.

Mr. WILLIAMS of Delaware. It is withdrawn if the Government pays.

Mr. COOPER. The land is withdrawn from the production of the crop.

Mr. WILLIAMS of Delaware. The land is withdrawn from the production of the crop for the year in which the farmer gets free lime and fertilizer, but the land goes back into production immediately the next year unless the Government pays \$40 to \$50 an acre to keep it out of production.

Mr. COOPER. The point is that every year the program is in effect X acres are withdrawn from the production of crops which might be in surplus.

Mr. WILLIAMS of Delaware. I would say that every year there are X acres out of production, but the land is not necessarily withdrawn from production, because the farmers, long before Washington bureaucrats ever heard of the soil conservation program, rotated their crops. I have been on a farm. Farmers rotated crops before the Department of Agriculture ever heard of it. Frankly, I think the Department got the idea from the farmers. Some farmer came in to tell them about it, and the Department said, "That is a wonderful idea; now we will tell the farmers how to do it."

The farmers have rotated crops for years, and in fact for generations. The Senator's father did.

Mr. COOPER. He did.

Mr. WILLIAMS of Delaware. Our grandfathers did. All we are doing is paying the farmers for something they would do anyway, the farmers knew before the Secretary of Agriculture did that this is a good practice.

Mr. COOPER. I do not think that is quite correct. It is true that the program has taught many farmers or has helped to teach many farmers, even as a result of payments, that rotation of crops is a good thing, which will improve farming and farmland throughout the country. The Senator knows that. One has only to drive through the country to know that this program has improved farming throughout the country.

Mr. WILLIAMS of Delaware. I would agree that it has improved some farmland, but to say that the farmland would not have been improved without the program I do not think is proper. Many farmers have never participated but have built up their soil. In some instances they have done equally as good a job without the program, if not better. To say that the only way this soil improvement could have been achieved was by having the Federal Government pay them is, in my opinion, not correct.

I have said that there are many features of the program of soil conservation of which I approve and which I will support. I have supported them. I think we should build up the soil for the future. However, I do not think that by giving free fertilizer and lime we shall be building for the future. We will simply build up surpluses for tomorrow or, to be exact, for the next year.

It will not help the position of the American farmer who is already handicapped in the market by these surpluses which are holding down farm prices.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. I merely wish to re-

peat what I said a year ago. Following my affirmative vote to reduce the amount to be appropriated for limestone and other fertilizers from \$250 million to \$150 million, the limestone dealers circulated a letter to the farmers of Ohio in which they said, in effect, "Dear Mr. Farmer, you will be interested to know that your Senator, FRANK LAUSCHE, voted to reduce from \$250 million down to \$150 million the appropriation providing you with limestone. We do not write you this letter for the purpose of influencing you against him, but we thought, Mr. Farmer, that you would like to know what he did."

Such was the purport of the letter which the limestone dealers sent out 2 years ago. If I had any question about the propriety of what I did when I cast my vote, after I read that letter I became more than ever convinced that the sponsors of the bill ought to have my vigorous rebuff.

Mr. WILLIAMS of Delaware. The Senator is correct. The Limestone Institute sent such a letter to the farmers in the States of all Senators who supported the position stated by the Senator from Ohio. I am confident they will do so again. Significantly that letter was signed by a man who is making an easy living in Washington as a lobbyist for the Limestone Institute. He is a man who I doubt has ever done a day's work on a farm in his life. It could be said he makes his living farming the farmers, not the farm. I doubt if he knows what a real farm looks like. He makes his money in Washington selling lime to the U.S. Government. This bill represents a \$100 million order for him. Nevertheless one of the largest farm organizations in America testified that the extra \$100 million was not for the benefit of farmers, and they agreed it would be better if the item were deleted.

The Secretaries of Agriculture under both the preceding and the present administrations, men who are supposed to have the interests of farmers at heart, have said that the farmers of America would be better off if the extra \$100 million provided in the bill were saved for the taxpayers rather than spent to increase the productive capacity of farms.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. To what farm organization does the Senator refer?

Mr. WILLIAMS of Delaware. It is my understanding that the American Farm Bureau and others have repeatedly taken a position against the proposal on the basis that it was not in the interest of farmers. Yet no organization has stood more strongly for good soil conservation practices and good farming methods than the American Farm Bureau. That organization has assisted and supported such programs as drainage, research, development, and other sound phases of the farm program. It has been a strong advocate of such programs as would help the farmers.

There are many areas of farming in which the Government can help the American farmer. As I said before, I believe research is one of the fields.

These farm organizations have been strong advocates of extended research programs.

If only 5 percent of this \$100 million were earmarked for research both the farmers and taxpayers would benefit.

If there were a shortage of productive capacity or a shortage of food, the full program could be justified. If a war were going on and we needed the food there would be a reason for the full appropriation. Certainly there is no reason for it today.

Mr. LAUSCHE. Do I correctly understand that both the conservative Secretary of Agriculture, Mr. Benson, and the allegedly liberal Secretary of Agriculture, Mr. Freeman, expressed opposition to the appropriation?

Mr. WILLIAMS of Delaware. I so understand. The Budget Bureau in both administrations opposed a \$250 million annual program. I have read the testimony, and I have failed to see any point at which Mr. Freeman endorsed the program.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. KEATING. For the benefit of the distinguished Senator from Ohio, I can say that the same organization sent out letters to farmers in New York State. I received a copy of such a letter. It merely enclosed a brochure that the organization had sent out. I think most farmers have shown the good sense, as evidenced by the support of the American Farm Bureau Federation, to favor this amendment, and I am happy to join the Douglas-Williams axis in support of the amendment. The Senators are sound in the position that they have taken. Under their amendment, we can save a little money without seriously impairing a good program. I certainly will support the amendment.

Mr. LAUSCHE. The saving would be \$100 million.

Mr. KEATING. The amount is minor when considered alongside the astronomical figures in which we customarily deal. But unless we watch very carefully items like the one about which we are speaking, we shall not be able to meet the huge national defense needs and other national needs our country must fulfill. We are being given an opportunity today to make some of the sacrifices that we have heard so much about lately. It seems to me that this is an appropriate place for a saving to be made.

Mr. WILLIAMS of Delaware. I thank the Senator. As I said before, the strongest testimony that was given for the full appropriation was given by Mr. Robert M. Koch, official representative of the Limestone Institute. I have not noticed this year the testimony of the representative of the American Farm Bureau Association, but I know that in preceding years representatives have testified in favor of cutting the program, and I understand that this year their testimony was the same.

Mr. KEATING. I am told that representatives did testify this year and that their position on this issue is unchanged.

Mr. WILLIAMS of Delaware. While the saving, as has been pointed out, may be small in the minds of some as compared with the \$6 billion in the bill, nevertheless a saving of \$100 million a year amounts to approximate \$2 million a week, \$40,000 a day, figuring an 8-hour day and a 5-day working week. The adoption of this amendment would result in a saving of \$100 million to the American taxpayers. Furthermore, the Budget Bureau did not approve this \$100 million.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BUSH. Has the Senator asked for the yeas and nays?

Mr. WILLIAMS of Delaware. I have not, but I shall ask for the yeas and nays. I think there should be a record vote.

Mr. BUSH. Mr. President, will the Senator from Illinois ask for the yeas and nays on the amendment?

Mr. DOUGLAS. I have not.

Mr. BUSH. Mr. President, I ask for the yeas and nays.

Mr. DOUGLAS. I see that I am beginning to find support for the amendment.

The yeas and nays were ordered.

Mr. CARLSON. Mr. President, before the vote on the amendment, we should realize that the program is a cooperative program. The Federal Government makes a substantial contribution over the Nation as a whole, but when it gets down to the individual farmer, he must participate in the program, and then receives only a portion of the benefits from the Federal Government. I believe it is an essential program, and I sincerely hope that the Senate will not reduce the amount of the item as reported by the distinguished chairman of the subcommittee of the Senate Committee on Appropriations. I refer to the item of \$250 million for building soil and assisting the farmers, in view of the testimony given that the items are most helpful and necessary. I sincerely hope that Senators will not vote against the proposal.

If I may have the attention of the chairman of the subcommittee, I wish to speak on an item appearing on page 15, line 11, of the pending bill under the title "Agricultural Marketing Service, Marketing Research." I note that the committee increased the item from \$4,515,000 to \$4,795,000.

The report on this bill, page 8, entitled "Agricultural Marketing Service, Marketing Research," reads as follows:

For marketing research, the committee recommends \$4,795,000 be appropriated. This is an increase of \$280,000 over the estimate and the House bill and an increase of \$577,800 over 1961. The recommended increase consists of: (a) \$160,000 to develop plans and specifications for a research facility on a site to be obtained without cost, and to intensify the marketing research on peanuts; (b) \$60,000 to initiate a study of maintenance of quality in citrus; (c) \$40,000 to accelerate horticultural research in the packaging, handling, and related problems affecting the quality of flowers after harvesting; and (d) \$20,000 to conduct a study of methods for objective gaging of maturity of apples as an aid to harvesting and quality control.

I appreciate these projects are valuable research products.

During the hearings I appeared before the subcommittee, under the very able chairmanship of the distinguished senior Senator from Georgia [Mr. RUSSELL] and stressed the need for a grain marketing research center and suggested that it be built at Manhattan, Kans.

I have prepared an amendment, which, if approved, would make available \$140,000 for planning this project. There can be no question as to the need for early construction of the marketing research center and I am pleased to advise that Kansas State University at Manhattan, Kans., has offered to deed to the Federal Government a site of 5 acres for such a laboratory. As most of you know, Kansas State University is considered among the outstanding agricultural universities of the Nation; and in the field of wheat, flour, and related products, it is the outstanding university. It works very closely with the Department of Agriculture.

Great Plains Wheat, Inc., which is an organization representing more than 250,000 wheatgrowers in the Midwest, has been working quite closely with Kansas State University and myself in support of this laboratory. At this time we think that the building and related facilities could be constructed for an estimated \$1,900,000.

The Grain Marketing Research Center I propose would be the type of activity that is a function of marketing research in the Agricultural Marketing Service of USDA. The objective of this proposed grain research center would be to develop new and more efficient ways of making U.S. grain and grain products more desirable to domestic and foreign buyers and users. This research would seek to prevent waste and spoilage and maintain quality in the channels of trade, improve efficiency and lower cost of handling, storage, transportation, and distribution of grain and grain products, and improve grade standards and sampling and grain grading methods and equipment.

Five States—Kansas, Nebraska, Colorado, Missouri, and Oklahoma—raise 50 percent of the winter wheat, and 41 percent of the total wheat produced in the United States. The four States besides Kansas all border Kansas, and would of course have access to this proposed laboratory.

I appreciate the problem of the chairman of the subcommittee. I do not like to offer the amendment at this time. However, I wonder whether the chairman has any suggestions to make.

Mr. RUSSELL. The distinguished Senator from Kansas has been very diligent in pursuing this matter. I believe this is the second year that he has presented it to the Committee on Appropriations. It is a very worthy project, and one that eventually will be constructed. Certain difficulties are involved in connection with the subject. In the first place, we did not have a budget estimate, although I understand the project stands very high on the list of priorities for facilities within the Agricultural Marketing Service.

Another little difficulty has been in connection with the matter of the loca-

tion of the laboratory. The committee was not unanimous in its views as to where the laboratory should be located. Wheat is grown in a great many States of the Union. Kansas is a great wheat State. There are other great wheat States. Therefore, the committee decided to pass the matter over for this year in the hope of having a budget estimate submitted for the item, which would establish the location of the site, and in that way we would be absolved of the responsibility of deciding its location between several great wheat producing States. We have no budget estimate to guide us. Generally speaking, when a budget estimate is submitted, the location is determined. In my judgment, we will get a budget estimate on the laboratory—not right away, but in the very near future.

Mr. CARLSON. I appreciate the statement of the distinguished chairman. I have every reason to believe that the Senator has made a correct estimate of the situation. As I have said, when it comes to the location of the laboratory, I merely wish to say again that Kansas is in the center of a five-State area—Missouri, Oklahoma, Nebraska, Colorado, and Kansas—which raises 50 percent of the winter wheat of this Nation.

It seems only logical that that area should be given consideration when it comes to deciding on the location. I sincerely hope that next year we may have the privilege of having a budget recommendation on this item. I thank the distinguished chairman.

Mr. RUSSELL. I assure the Senator that it would certainly resolve embarrassment for the chairman of the committee if we had a budget estimate, so as to locate the laboratory at a definite place.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Delaware [Mr. WILLIAMS]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from California [Mr. ENGLE], the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. LONG], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Alaska would vote "yea," and the Senator from Florida would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

The Senator from New Jersey [Mr. CASE] is necessarily absent.

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

Mr. BARTLETT (after having voted in the affirmative). On this vote I have a pair with the junior Senator from California [Mr. ENGLE]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

The result was announced—yeas 26, nays 64, as follows:

[No. 82]

YEAS—26

Beall	Douglas	Miller
Bennett	Fong	Pastore
Boggs	Goldwater	Pell
Bush	Hartke	Smith, Mass.
Butler	Hickenlooper	Tower
Clark	Hruska	Williams, N.J.
Cotton	Javits	Williams, Del.
Curtis	Keating	Young, Ohio
Dirksen	Lausche	

NAYS—64

Aiken	Hayden	Morton
Allott	Hickey	Moss
Anderson	Hill	Mundt
Bible	Holland	Muskie
Burdick	Humphrey	Neuberger
Byrd, Va.	Jackson	Prouty
Byrd, W. Va.	Johnston	Proxmire
Cannon	Jordan	Robertson
Capehart	Kefauver	Russell
Carlson	Kerr	Saltonstall
Carroll	Kuchel	Schoepfel
Case, S. Dak.	Long, Mo.	Scott
Church	Long, La.	Smith, Maine
Cooper	Magnuson	Sparkman
Dodd	Mansfield	Stennis
Dworshak	McCarthy	Symington
Eastland	McClellan	Talmadge
Ellender	McGee	Thormond
Ervin	McNamara	Yarborough
Fulbright	Metcalf	Young, N. Dak.
Gore	Monroney	
Hart	Morse	

NOT VOTING—10

Bartlett	Engle	Smathers
Bridges	Gruening	Wiley
Case, N.J.	Long, Hawaii	
Chavez	Randolph	

So the amendment offered by Mr. DOUGLAS and Mr. WILLIAMS of Delaware was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. RUSSELL. Mr. President, in the other body an effort was made to provide some funds for the study of the agricultural market center at Boston, Mass. However, through an error in the other body, the \$75,000 which was involved was placed under the heading of "Payments to States."

The Senate committee, not being informed of what the money was for, struck out that item. As a matter of fact, it should be under the item of "Marketing research."

The project seems to be a desirable one. Therefore, I move that the bill be amended on page 15, in line 14, by striking out the figure "\$4,795,000" and inserting in lieu thereof "\$4,870,000", in

order that this important study may be made.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. HRUSKA. Mr. President, I should like to make inquiry of the chairman of the Subcommittee on Agricultural Appropriations with reference to an item found in the budget and in the bill for research on amylose corn. I understand some \$277,000 has been allocated for that purpose for fiscal year 1962, which is an equivalent amount to that which will have been expended for the current fiscal year.

It is my further understanding a request had been made for an increase in that figure. I am wondering what the reasons were for having rejected that increase.

Mr. RUSSELL. Mr. President, let me say to the distinguished Senator from Nebraska, several elements were involved in that action.

In the first place, the sum which was set up in the budget for the project was relatively small. I do not have the figure before me at this time, but it was \$40,000 or \$50,000. The committee felt, when it compared this program with the other research programs, that the \$277,000 for its support was a very substantial sum. When it is considered that the total for every phase of agricultural research in this country, is only \$78 million, and is divided up into several hundred different projects, \$277,000 constitutes a very substantial project.

We increased the overall appropriation for research in this area, and if the Department desires to allocate more funds for this purpose, it may do so. We have never been penurious in our allocations for research. A very large request was submitted by some organization for research in wheat, something like \$1 million, and we did not feel that the facts presented justified it.

There are other funds provided in the bill. There is a contingent fund of \$1 million which could be allocated for this purpose, in addition to the increase in the general appropriations for research.

Mr. HRUSKA. Did I correctly understand the Senator from Georgia to say that the total appropriation for research approximately \$2 million?

Mr. RUSSELL. No; \$78 million.

Mr. HRUSKA. The entire agricultural research service?

Mr. RUSSELL. That does not include the payment to the States. The States direct that research.

Mr. HRUSKA. It was in the range of \$78 million?

Mr. RUSSELL. Seventy-eight million dollars.

Mr. HRUSKA. I thank the Senator.

Mr. RUSSELL. As the Senator knows, that includes almost every conceivable form of research to deal with insects, diseases that attack plants, diseases of animals, new diseases that bring about great losses. Personally, I feel this is a very substantial sum for this research, but there is other money available there if the Department desires to allocate it.

Mr. HRUSKA. I am grateful for the Senator's explanation.

Because of industrial purposes to which amylose corn can be devoted, there is great interest in high amylose corn in Nebraska. Starch refined from ordinary corn is about 25 percent amylose and 75 percent amylopectin. But in my State the high amylose corn ranges up to 65 percent amylose content. The aim is to do even better.

There are vast possibilities for diverting this crop from normal channels of consumption and Government storage to industrial purposes. Hence the constant effort to advance even higher amylose content and processes for separating pure amylose and amylopectin fractions from ordinary dent corn.

Among those active locally and regionally in this field are the Corn Industries Research Foundation, the Midwest Research Institute, the A. E. Staley Manufacturing Co., and the Institute of Paper Chemistry. They have cooperated with the Nebraska Department of Agriculture in this program. In fact, the progress and efforts along this line were noted recently in a June 11, 1961, Saturday Evening Post editorial, and I ask unanimous consent that the text of the editorial be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCIENCE CALLED ON TO FIND NEW USES FOR FARM SURPLUS

Scientific research conducted by the U.S. Department of Agriculture and State agricultural experiment stations has tremendously increased farm production. But there has been no corresponding research to develop uses and markets for the increased production. The State of Nebraska has set out to correct this by establishing an agricultural products industrial utilization research program.

Fourteen research projects are underway. The State's chief grain crops—corn and wheat—furnish most of the materials of these research explorations. Scientists know that many nonfood products can be developed from them. The problem is to create the products desired for commercial uses and to make them economically enough to sell at competitive prices.

Starch is the major component of both corn and wheat and much of the research involves its possibilities. The paper industry is one of the largest users of starch, and research being carried on with the Institute of Paper Chemistry is aimed at the development of improved and more versatile starch products for this market. Other research seeks new uses in the growing plastics field.

Interest in Nebraska's program has spread to neighboring States, and a broader research development seems in sight. To facilitate a regional approach, an Agricultural Products Utilization Association, a nonprofit organization, was incorporated in Nebraska. It will provide the machinery to coordinate the different State programs.

By creating new wealth out of our farm abundance, the Nebraska plan looks like an example of the self-reliance that once was known as an American trait.

Mr. HRUSKA. Mr. President, considerable research has been done already by the U.S. Department of Agriculture in the amylose field. From 1955 through fiscal year 1961 about \$1¼ million was spent on research, and for fiscal year

1962 there is an allocation of about \$277,000. After expenditure of that amount, some \$1½ million will have been spent by the Federal Department of Agriculture.

This is good foundational work. It is a good pioneering effort upon which States like Nebraska have been able to build. Nebraska is grateful for this pioneering work. There is a large industrial demand, and it is felt that more could be allowed than the \$277,000 which is the current level of research work in the Federal budget. However, with the explanation given by the Senator from Georgia on this subject, I am sure further progress will be made and will be in good order. It will be a further foundation for efforts like those being currently conducted in my home State of Nebraska.

Again I thank the Senator from Georgia for his very fine explanation and for his obvious sympathy with this type of agricultural research.

Mr. RUSSELL. Mr. President, I am in thorough sympathy with every form of agricultural research. It is the only weapon we have had to enable the farmers to keep pace with modern-day life in this country.

Mr. HRUSKA. The obvious merit of this type of research is that if it is successful it will divert part of the corn crop for industrial purposes, instead of use in normal channels of consumption, particularly in Government storage, of which there is already too much.

Mr. RUSSELL. There is room to strengthen every aspect of research to increase utilization of our farm products.

Mr. HRUSKA. I thank the Senator.

Mr. FULBRIGHT. Mr. President, the chairman and the members of the Agriculture Subcommittee have done their usual fine job on this difficult appropriation bill. I extend my thanks to this subcommittee for their diligent efforts.

I would like to have had certain additional items included in the bill, but it is impossible for such a committee to satisfy completely every Member of this body. We can always be sure, however, that our requests are given fair and equitable treatment.

The committee's recommendations on agricultural research items are to be commended. Of special significance to Arkansas are additional funds for soybean research and research on air sac diseases in poultry. Soybeans are the second most important crop in Arkansas and research on soybean problems has not kept pace with the growth of this industry. It has been estimated that an increase in productivity of 1 bushel per acre would result in increasing income to soybean producers by \$50 million. The committee's approval of \$100,000 to strengthen the research program will pay ample dividends in future years.

I was pleased that the committee recommended an additional \$250,000 above the House appropriation of \$387,800 to accelerate research on air sac diseases in poultry. Poultry producers, and those of us who represent poultry producing areas, have wrestled with the air sac problem for years. These additional funds will insure that the problem is at

last given the attention it deserves. I hope that the Government's research will soon result in finding a permanent and practical solution to the air sac problem.

The House committee's action in providing a \$1 million contingency fund for special research problems should be very helpful to farmers throughout the Nation. This fund will give the Agriculture Research Service the capability of taking prompt and effective research action whenever a serious problem arises. It will give needed flexibility to Agriculture Research Service in coping with emergency problems.

I regret that the committee did not provide funds for construction of a soil and water conservation research station in the lower Mississippi Valley. Although this project is rather low on the Agricultural Research Service priority list, I am convinced that the soil and water conservation problems in the delta area are not receiving the attention they should. I intend to continue to work to get the Agricultural Research Service to move this project up on the priority list in hopes that we can get appropriations to initiate construction on it in the 1963 fiscal year.

In another phase of soil and water conservation, the committee is to be complimented for its approval of the full budget estimate for the watershed protection program. This program has been neglected far too long. It has been hampered by inadequate funding and by unrealistic feasibility criteria. The amount for the program contained in the bill represents an increase of slightly more than \$17 million above the amount appropriated last year. There is a tremendous backlog of projects, both for planning and construction. These additional funds will help in reducing this backlog. It has been estimated that flood losses in small unprotected watersheds throughout the country each year are substantially greater than the small amount spent on the watershed program. The small watershed program has proven its worth and I know that it will continue to grow in importance as the results become more evident.

I was pleased at the committee's action to continue the agricultural conservation program at the present level. The conservation practices financed through this program have resulted in greatly strengthening the Nation's soil and water resources. This program recognizes that our soil is a highly perishable asset and that it is in the national interest that we conserve it to the best of our ability. The farmers of my State are completely sold on this program and continuation of it at the existing level is necessary if they are to be given the proper encouragement and incentive to continue the fine work they are doing.

The committee has taken a realistic attitude by increasing the authorization for the Rural Electrification Administration. It was obvious that with the recent approval of the large loan to the Indiana cooperative there would not be sufficient funds available unless there

was a substantial increase in the budget request. The \$50 million increase in the authorization should insure that the REA program is continued at an adequate level.

I am pleased that the committee increased the appropriation for the school lunch program. Many States including Arkansas ran into difficulties in financing their lunch programs this year. The \$15 million increase in the direct appropriation above last year's appropriation should go a long ways toward preventing such problems from happening again next year.

I was especially interested in the language contained in the committee's report on the bill concerning the importance of the foreign market development program. As the committee pointed out, this cooperative program between government and industry has been most successful in promoting increased exports of many agricultural products. I agree fully with the committee's recommendation that the program should be substantially expanded in size and broadened in scope. Market development programs are in operation around the world promoting sales of the products which are of great importance to Arkansas—cotton, soybeans, rice, and poultry. Foreign markets have always been essential to American farmers, and there is no indication that this situation will change in the foreseeable future. Indeed, exports are of greater significance to agriculture than to business. Total exports represent only about 4 percent of our gross national product, while agricultural exports average about 13 percent of farm commodity sales. Foreign sales are increasing for such products as soybeans and poultry. The poultry industry has been selling in foreign markets for only a few years, but these markets have already become a substantial outlet for our poultry production. There is no doubt in my mind that we could greatly expand foreign markets for poultry if the Department of Agriculture would give more assistance in helping to introduce this product in countries where it is not now available.

Again I wish to express my thanks to the committee for doing such a fine job on this bill. I know that the farmers in Arkansas and other agricultural States will be grateful.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

The bill (H.R. 7444) was passed.

Mr. RUSSELL. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House on the matters in disagreement between the two bodies, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. HAYDEN, Mr. HILL, Mr. ROBERTSON, Mr. ELLENDER, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mr. DWORSHAK the conferees on the part of the Senate.

Mr. HUMPHREY. Mr. President, I wish to take a moment to commend the distinguished Senator from Georgia [Mr. RUSSELL] for the diligence and great effort that he gave to the Senate Committee on Appropriations report on the Department of Agriculture. As chairman of the Subcommittee on Agricultural Appropriations, he listened to many witnesses and gave guidance and direction to the subcommittee and the full committee relating to the agriculture appropriations. This appropriations bill represents a decided improvement in funds for many of the programs of the Department of Agriculture, particularly in the field of agricultural research. We added additional moneys to the request of the administration in the field of agricultural research.

We also improved the Farmers Home Administration program. I mention this point in particular because of my long interest in the matter of farm credit, particularly farm credit for family farmers. Later on I shall present to the Senate a statement on the Farmers Home Administration in terms of a program that I believe is necessary for modern agriculture and modern family farming.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, notified the Senate that House Resolution 304, disapproving Reorganization Plan No. 3, failed in passage.

The message also notified the Senate that House Resolution 305, disapproving Reorganization Plan No. 4, failed in passage.

The message announced that the House had passed, without amendment, the following bills of the Senate:

- S. 32. An act for the relief of Jeno Becsey;
- S. 68. An act for the relief of Kay Addis;
- S. 70. An act for the relief of Mah Ngim Hay (Joe Mah);
- S. 71. An act for the relief of Mah Ngim Bell (Bill Mah);
- S. 186. An act for the relief of Dr. William Kwo-wei Chen;
- S. 219. An act for the relief of Dr. Nobutaka Azuma;
- S. 268. An act for the relief of Hok Yuen Woo;
- S. 395. An act for the relief of Fausto Lavari;
- S. 400. An act for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato);
- S. 441. An act for the relief of Rodopi Statherou (Statheron);
- S. 452. An act for the relief of Nellie V. Lohry;
- S. 485. An act for the relief of Charles Edward Pifer;
- S. 746. An act for the relief of Yee Mee Hong;
- S. 759. An act for the relief of Sadako Suzuki Reeder;
- S. 865. An act for the relief of Wieslawa Barbara Erzak;
- S. 921. An act for the relief of Martha Uchae Barras; and
- S. 1093. An act for the relief of Sze-Foo Chen.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

- H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek; and
- H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that on title I of the bill Mr. FALLON, Mr. DAVIS of Tennessee, Mr. BLATNIK, Mr. SCHERER, and Mr. CRAMER were appointed managers on the part of the House at the conference, and that on title II of the bill Mr. MILLS, Mr. KING of California, Mr. O'BRIEN of Illinois, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H.R. 6765) to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1819) to authorize adjustments in accounts of outstanding old series currency, and for other purposes, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 6765) to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock, was read twice by its title and referred to the Committee on Foreign Relations.

REQUEST FOR AUTHORIZATION FOR SUBCOMMITTEE TO MEET DURING SESSIONS OF THE SENATE ON WEDNESDAY AND THURSDAY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Subcommittee on Reorganization and International Organizations of the Committee on Government Operations be given permission to meet while the Senate is in session on Wednesday of this week to conduct hearings on bills to establish a Department of Urban Affairs.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ELECTORAL COLLEGE REFORM

Mr. THURMOND. Mr. President, the Constitutional Amendments Subcom-

mittee of the Judiciary Committee has recently been holding hearings on various proposed constitutional amendments pending before that subcommittee. Among those proposals now pending are a number of resolutions proposing electoral college reform—a different method of election of President and Vice President than that now pertaining. On June 8, I appeared before the Constitutional Amendments Subcommittee, to testify on behalf of Senate Joint Resolution 12, of which I am a cosponsor with Senators MUNDT, McCLELLAN, HRUSKA, MORTON, and BLAKLEY. Senate Joint Resolution 12 embodies what is commonly referred to as the "district plan" for the election of presidential electors in the various States. During the course of my testimony before the subcommittee, certain questions were raised which I felt deserved more elaborate discussion than was possible at that time; so I requested, and obtained, permission to file with the subcommittee a supplemental statement with reference to these questions. I ask unanimous consent that a copy of my statement before the subcommittee on June 8, and also a copy of the supplemental statement which I submitted to the subcommittee, be printed in the RECORD at the conclusion of my remarks. I sincerely hope that all Members of the Senate and House of Representatives will avail themselves of the opportunity to read these statements, in order that they may better judge the issues and factors which bear on the various proposals for electoral reform.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR THURMOND BEFORE JUDICIARY SUBCOMMITTEE OF THE SENATE ON ELECTORAL COLLEGE REFORM, JUNE 8, 1961

Surely there can be no doubt that there exists a need for a change in the constitutional provision which provides the method and process whereby a President of the United States is elected. There are those who are of the opinion that the defects in the electoral college system have existed from the very time of the adoption of the Constitution, and there also exists a substantial difference of opinion as to the manner in which the drafters of the Constitution intended that the electoral college system operate.

During the consideration of the Constitution by the various States, there is no evidence to indicate that any controversy of substance centered around the operation of the electoral college and the manner prescribed for the election of the Chief Executive of the National Government. Hamilton stated in the 68th Federalist: "The mode of appointment of the Chief Magistrate of the United States is almost the only part of the system, of any consequence, which has escaped without severe censor, or which has received the slightest mark of approbation from its opponents." History does not reveal to us whether this initial lack of criticism of the electoral college system stemmed primarily from general public approval of the prescribed method of election of a Chief Executive, or from widespread inability to perceive, with any substantial degree of clarity, the consequences of its implementation.

Defects in the system did become apparent within a very short time after the Constitution was adopted. As early as the election

87TH CONGRESS
1ST SESSION

H. R. 7444

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 1961

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1962; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—REGULAR ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, and home economics, to
7 control and eradicate pests and plant and animal diseases,
8 and to perform related inspection, quarantine and regulatory
9 work, and meat inspection: *Provided*, That not to exceed
10 \$75,000 of the appropriations hereunder shall be available
11 for employment pursuant to the second sentence of section
12 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as
13 amended by section 15 of the Act of August 2, 1946 (5
14 U.S.C. 55a): *Provided further*, That appropriations here-
15 under shall be available for the operation and maintenance
16 of aircraft and the purchase of not to exceed two, of which
17 one shall be for replacement only: *Provided further*, That
18 appropriations hereunder shall be available pursuant to title
19 5, United States Code, section 565a, for the construction,
20 alteration, and repair of buildings and improvements, but
21 unless otherwise provided, the cost of constructing any one
22 building (except headhouses connecting greenhouses) shall
23 not exceed \$15,000, except for five buildings to be con-
24 structed or improved at a cost not to exceed \$30,000 each,
25 and the cost of altering any one building during the fiscal

1 year shall not exceed \$5,000 or 5 per centum of the cost of
 2 the building, whichever is greater: *Provided further*, That
 3 the limitations on alterations contained in this Act shall not
 4 apply to (1)a total of \$50,000 for conversion of animal
 5 disease and parasite research facilities at Beltsville, Mary-
 6 land:

7 Research: For research and demonstrations on the pro-
 8 duction and utilization of agricultural products, home
 9 economics, and related research and services, including ad-
 10 ministration of payments to State agricultural experiment
 11 stations, (2)\$76,558,000 \$78,015,500: *Provided*, That the
 12 limitations contained herein shall not apply to replacement
 13 of buildings needed to carry out the Act of April 24, 1948
 14 (21 U.S.C. 113a) : *Provided further*, That the Secretary of
 15 Agriculture may sell the Entomology Research Laboratory
 16 at Orlando, Florida, in such manner and upon such terms and
 17 conditions as he deems advantageous and the proceeds of
 18 such sale shall remain available until expended for the estab-
 19 lishment of an entomology research laboratory: *Provided*
 20 *further*, That in the establishment of such laboratory the
 21 Secretary may acquire land therefor by donation or ex-
 22 change: *Provided further*, That the Secretary may acquire
 23 approximately thirty-five acres of land at Kerrville, Texas,
 24 by donation, for research purposes;

25 Plant and animal disease and pest control: For opera-

1 tions and measures, not otherwise provided for, to control
 2 and eradicate pests and plant and animal diseases and for
 3 carrying out assigned inspection, quarantine, and regulatory
 4 activities, as authorized by law, including expenses pursuant
 5 to the Act of February 28, 1947, as amended (21 U.S.C.
 6 114b-c), ~~(3)\$55,465,000~~ \$55,540,000, of which \$1,500,-
 7 000 shall be apportioned for use pursuant to section 3679 of
 8 the Revised Statutes, as amended, for the control of out-
 9 breaks of insects and plant diseases to the extent neces-
 10 sary to meet emergency conditions: *Provided*, That no funds
 11 shall be used to formulate or administer a brucellosis eradi-
 12 cation program for fiscal year 1963 that does not require
 13 minimum matching by any State of at least 40 per centum:
 14 *Provided further*, That the Secretary is authorized to ac-
 15 quire land for the plant pest control activities presently
 16 located at Gulfport, Mississippi;

17 Meat inspection: For carrying out the provisions of
 18 laws relating to Federal inspection of meat, and meat-food
 19 products, and the applicable provisions of the laws relat-
 20 ing to process or renovated butter, \$24,216,000.

21 Special fund: To provide for additional labor to be
 22 employed under contracts and cooperative agreements to
 23 strengthen the work at research installations in the field,
 24 not more than \$1,000,000 of the amount appropriated under
 25 this head for the fiscal year 1961 may be used by the

1 Administrator of the Agricultural Research Service in de-
 2 partmental research programs in the fiscal year 1962, the
 3 amount so used to be transferred to and merged with the
 4 appropriation otherwise available under "Salaries and
 5 expenses, Research".

6 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
 7 PROGRAM)

8 ~~(4)~~For purchase of foreign currencies which accrue under
 9 title I of the Agricultural Trade Development and Assist-
 10 ance Act of 1954, as amended (7 U.S.C. 1704), for market
 11 development research authorized by section 104(a), and for
 12 agricultural and forestry research authorized by section 104
 13 (k) of that Act, to remain available until expended, \$5,-
 14 265,000: *Provided*, That funds appropriated herein shall be
 15 used to purchase such foreign currencies as the Department
 16 determines are needed and can be used most effectively to
 17 carry out the purposes of this paragraph, and such foreign
 18 currencies shall, pursuant to the provisions of section 104
 19 (a), be set aside for sale to the Department before foreign
 20 currencies which accrue under said title I are made avail-
 21 able for other United States uses.

22 *For purchase of foreign currencies which accrue under*
 23 *title I of the Agricultural Trade Development and Assist-*
 24 *ance Act of 1954, as amended (7 U.S.C. 1704), for mar-*
 25 *ket development research authorized by section 104(a), and*

1 *for agricultural and forestry research authorized by section*
 2 *104(k) of that Act, to remain available until expended,*
 3 *\$5,265,000: Provided, That the dollar value of the un-*
 4 *expended balances, as of June 30, 1960, of allocations of*
 5 *foreign currencies heretofore made available to the Agri-*
 6 *cultural Research Service for the foregoing purposes of*
 7 *section 104(a) is appropriated as of that date and shall*
 8 *be merged with this appropriation: Provided further, That*
 9 *funds appropriated herein shall be used to purchase such*
 10 *foreign currencies as the Department determines are needed*
 11 *and can be used most effectively to carry out the purposes*
 12 *of this paragraph, and such foreign currencies shall, pur-*
 13 *suant to the provisions of section 104(a), be set aside for sale*
 14 *to the Department before foreign currencies which accrue*
 15 *under said title I are made available for other United States*
 16 *uses.*

17 CONSTRUCTION OF FACILITIES

18 For construction of facilities and acquisition of the neces-
 19 sary land therefor by donation or exchange, \$800,000, to re-
 20 main available until expended(5): *Provided, That the Secre-*
 21 *tary may purchase land at a price not in excess of \$10 for*
 22 *construction of facilities at Columbia, Missouri.*

23 STATE EXPERIMENT STATIONS

24 Payments to States and Puerto Rico: For payments to
 25 agricultural experiment stations to carry into effect the pro-

visions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture, ~~(6)\$34,053,000~~ \$36,053,000; and payments authorized under section 204 (b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U.S.C. 1623), \$500,000; in all ~~(7)\$34,553,000~~ \$36,553,000.

Penalty mail: For penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, \$250,000.

DISEASES OF ANIMALS AND POULTRY

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, as amended, and the Act of May 29, 1884, as amended (7 U.S.C. 391; 21 U.S.C. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, to be available only in an emergency

1 which threatens the livestock or poultry industry of the
 2 country, and any unexpended balances of funds transferred
 3 under this head in the next preceding fiscal year shall be
 4 merged with such transferred amounts: *Provided*, That this
 5 appropriation shall be subject to applicable provisions con-
 6 tained in the item "Salaries and expenses, Agricultural Re-
 7 search Service".

8 EXTENSION SERVICE

9 COOPERATIVE EXTENSION WORK, PAYMENTS AND 10 EXPENSES

11 Payments to States and Puerto Rico: For payments for
 12 cooperative agricultural extension work under the Smith-
 13 Lever Act, as amended by the Act of June 26, 1953 (7
 14 U.S.C. 341-348), and the Act of August 11, 1955 (7
 15 U.S.C. 347a), ~~(8)\$57,220,000~~ \$58,220,000; and payments
 16 and contracts for such work under section 204 (b) -205 of the
 17 Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624),
 18 \$1,570,000; in all, ~~(9)\$58,790,000~~ \$59,790,000: *Provided*,
 19 That funds hereby appropriated pursuant to section 3 (c)
 20 of the Act of June 26, 1953, shall not be paid to any State
 21 or Puerto Rico prior to availability of an equal sum from
 22 non-Federal sources for expenditure during the current fiscal
 23 year.

24 Retirement costs for extension agents: For cost of em-

1 ployer's share of Federal retirement for cooperative extension
2 employees, \$6,260,000.

3 Penalty mail: For costs of penalty mail for cooperative
4 extension agents and State extension directors, \$2,490,000.

5 Federal Extension Service: For administration of the
6 Smith-Lever Act, as amended by the Act of June 26, 1953
7 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7
8 U.S.C. 347a), and extension aspects of the Agricultural
9 Marketing Act of 1946 (7 U.S.C. 1621-1627), and to co-
10 ordinate and provide program leadership for the extension
11 work of the Department and the several States and insular
12 possessions, ~~(10)\$2,452,000~~ \$2,477,000.

13 FARMER COOPERATIVE SERVICE

14 SALARIES AND EXPENSES

15 For necessary expenses to carry out the Act of July 2,
16 1926 (7 U.S.C. 451-457), \$657,000.

17 SOIL CONSERVATION SERVICE

18 CONSERVATION OPERATIONS

19 For necessary expenses for carrying out the provisions
20 of the Act of April 27, 1935 (16 U.S.C. 590a-590f),
21 including preparation of conservation plans and establish-
22 ment of measures to conserve soil and water (including
23 farm irrigation and land drainage and such special measures

1 as may be necessary to prevent floods and the siltation of
2 reservoirs) ; operation of conservation nurseries; classifica-
3 tion and mapping of soils; dissemination of information;
4 purchase and erection or alteration of permanent buildings;
5 and operation and maintenance of aircraft, \$89,725,000:
6 *Provided*, That the cost of any permanent building pur-
7 chased, erected, or as improved, exclusive of the cost of
8 constructing a water supply or sanitary system and connect-
9 ing the same to any such building and with the exception of
10 buildings acquired in conjunction with land being purchased
11 for other purposes, shall not exceed \$2,500, except for eight
12 buildings to be constructed or improved at a cost not to ex-
13 ceed \$15,000 per building and except that alterations or im-
14 provements to other existing permanent buildings costing
15 \$2,500 or more may be made in any fiscal year in an amount
16 not to exceed \$500 per building: *Provided further*, That no
17 part of this appropriation shall be available for the construc-
18 tion of any such building on land not owned by the Govern-
19 ment: *Provided further*, That no part of this appropriation
20 may be expended for soil and water conservation operations
21 under the Act of April 27, 1935 (16 U.S.C. 590a-590f),
22 in demonstration projects: *Provided further*, That not to
23 exceed \$5,000 may be used for employment pursuant to the
24 second sentence of section 706 (a) of the Organic Act of
25 1944 (5 U.S.C. 574), as amended by section 15 of the Act

1 of August 2, 1946 (5 U.S.C. 55a) : *Provided further*, That
2 qualified local engineers may be temporarily employed at per
3 diem rates to perform the technical planning work of the
4 service.

5 WATERSHED PROTECTION

6 For expenses necessary to conduct surveys, investiga-
7 tions, and research and to carry out preventive measures, in-
8 cluding, but not limited to, engineering operations, methods
9 of cultivation, the growing of vegetation, and changes in use
10 of land, in accordance with the Watershed Protection and
11 Flood Prevention Act, approved August 4, 1954, as
12 amended (16 U.S.C. 1001-1008), and the provisions of the
13 Act of April 27, 1935 (16 U.S.C. 590a-f), to remain avail-
14 able until expended, \$53,787,000, with which shall be
15 merged the unexpended balances of funds heretofore appro-
16 priated or transferred to the Department for watershed pro-
17 tection purposes: *Provided*, That not to exceed \$100,000
18 may be used for employment pursuant to the second sen-
19 tence of section 706 (a) of the Organic Act of 1944 (5
20 U.S.C. 574), as amended by section 15 of the Act of
21 August 2, 1946 (5 U.S.C. 55a) : *Provided further*,
22 That not to exceed \$2,500,000, together with the unobligated
23 balance of funds previously appropriated for loans and re-
24 lated expense, shall be available for such purposes.

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 74 Stat. 131), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), to remain available until expended, ~~(11)\$25,000,000~~ \$22,231,500, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16 (b) of the Soil Conservation and Domestic Allotment Act,

1 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
2 \$10,168,000, to remain available until expended.

3 ECONOMIC RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For necessary expenses of the Economic Research Serv-
6 ice in conducting economic research and service relating to
7 agricultural production, marketing, and distribution, as
8 authorized by the Agricultural Marketing Act of 1946 (7
9 U.S.C. 1621-1627), and other laws, including economics of
10 marketing; analyses relating to farm prices, income and
11 population, and demand for farm products, use of resources
12 in agriculture, adjustments, costs and returns in farming,
13 and farm finance; and for analyses of supply and demand for
14 farm products in foreign countries and their effect on pros-
15 pects for United States exports, progress in economic de-
16 velopment and its relation to sales of farm products, assembly
17 and analysis of agricultural trade statistics and analysis of in-
18 ternational financial and monetary programs and policies as
19 they affect the competitive positions of United States farm
20 products; ~~(12)\$9,049,000~~ \$9,364,000: *Provided*, That not
21 less than \$350,000 of the funds contained in this appropriation
22 shall be available to continue to gather statistics and conduct
23 a special study on the price spread between the farmer and
24 consumer: *Provided further*, That not to exceed \$75,000
25 of the appropriation shall be available for employment pur-

1 suant to the second sentence of section 706 (a) of the Organic
 2 Act of 1944 (5 U.S.C. 574) as amended by section 15 of
 3 the Act of August 2, 1946 (5 U.S.C. 55a) : *Provided fur-*
 4 *ther*, That not less than \$145,000 of the funds contained in
 5 this appropriation shall be available for analysis of statistics
 6 and related facts on foreign production and full and complete
 7 information on methods used by other countries to move farm
 8 commodities in world trade on a competitive basis.

9 STATISTICAL REPORTING SERVICE

10 SALARIES AND EXPENSES

11 For necessary expenses of the Statistical Reporting
 12 Service in conducting statistical reporting and service work,
 13 including crop and livestock estimates, statistical coordina-
 14 tion and improvements, and marketing surveys, as author-
 15 ized by the Agricultural Marketing Act of 1946 (7 U.S.C.
 16 1621-1627) and other laws, (13)\$8,688,000 \$8,978,000:
 17 *Provided*, That no part of the funds herein appropriated shall
 18 be available for any expense incident to publishing estimates
 19 of apple production for other than the commercial crop.

20 AGRICULTURAL MARKETING SERVICE

21 MARKETING RESEARCH AND SERVICE

22 For expenses necessary to carry on research and service
 23 to improve and develop marketing and distribution relating
 24 to agriculture as authorized by the Agricultural Marketing
 25 Act of 1946 (7 U.S.C. 1621-1627) and other laws, includ-

ing the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 U.S.C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$15,000, except for two buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater:

Marketing research: For research and development relating to agricultural marketing and distribution, including related cost and efficiency evaluations, ~~(14)~~\$4,515,000 \$4,870,000;

Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States, ~~(15)~~\$33,187,000 \$33,370,000, including not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem, pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out section 201 (a) to 201 (d), inclusive, of title II of the Agricul-

1 tural Adjustment Act of 1938 (7 U.S.C. 1291) and section
2 203 (j) of the Agricultural Marketing Act of 1946.

3 PAYMENTS TO STATES AND POSSESSIONS

4 For payments to departments of agriculture, bureaus
5 and departments of markets, and similar agencies for mar-
6 keting activities under section 204 (b) of the Agricul-
7 tural Marketing Act of 1946 (7 U.S.C. 1623 (b)),
8 ~~(16)~~ \$1,400,000 \$1,325,000.

9 SCHOOL LUNCH PROGRAM

10 For necessary expenses to carry out the provisions of the
11 National School Lunch Act (42 U.S.C. 1751-1760),
12 \$125,000,000: *Provided*, That no part of this appropriation
13 shall be used for nonfood assistance under section 5 of
14 said Act: *Provided further*, That \$45,000,000 shall be
15 transferred to this appropriation from funds available under
16 section 32 of the Act of August 24, 1935, for purchase
17 and distribution of agricultural commodities and other foods
18 pursuant to section 6 of the National School Lunch Act ~~(17)~~:
19 *Provided further*, That for the purpose of providing additional
20 assistance based on program participation and needs in the
21 States as may be necessary to aid in meeting the nutritional
22 and other requirements of section 9 of the National School
23 Lunch Act (7 U.S.C. 1758), not to exceed \$10,000,000 of
24 this appropriation shall be available for assistance under sec-
25 tions 4 and 10 of that Act (42 U.S.C. 1753-1754) under

1 such regulations as the Secretary may prescribe and without
2 regard to provisions of that Act governing the apportionment
3 of funds.

4 FOREIGN AGRICULTURAL SERVICE

5 SALARIES AND EXPENSES

6 For necessary expenses for the Foreign Agricultural
7 Service, including carrying out title VI of the Agricultural
8 Act of 1954 (7 U.S.C. 1761-1768), market development
9 activities abroad, and for enabling the Secretary to coordi-
10 nate and integrate activities of the Department in connection
11 with foreign agricultural work, including not to exceed
12 ~~(18)\$30,000~~ \$35,000 for representation allowances and for
13 expenses pursuant to section 8 of the Act approved August 3,
14 1956 (7 U.S.C. 1766), \$12,457,000: *Provided*, That not
15 less than \$255,000 of the funds contained in this appro-
16 priation shall be available to obtain statistics and related
17 facts on foreign production and full and complete infor-
18 mation on methods used by other countries to move farm
19 commodities in world trade on a competitive basis: *Provided*
20 *further*, That, in addition, not to exceed \$3,117,000 of the
21 funds appropriated by section 32 of the Act of August 24,
22 1935, as amended (7 U.S.C. 612c), shall be merged with
23 this appropriation and shall be available for all expenses
24 of the Foreign Agricultural Service.

1 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
2 PROGRAM)

3 (19) For purchase of foreign currencies which accrue un-
4 der title I of the Agricultural Trade Development and Assist-
5 ance Act of 1954, as amended (7 U.S.C. 1704), for the pur-
6 poses of market development activities under section 104(a)
7 of that Act, \$3,444,000, to remain available until expended:
8 *Provided*, That funds appropriated herein shall be used to
9 purchase such foreign currencies as the Department deter-
10 mines are needed and can be used most effectively to carry
11 out the purposes of this paragraph, and such foreign curren-
12 cies shall, pursuant to the provisions of section 104(a), be
13 set aside for sale to the Department before foreign currencies
14 which accrue under said title I are made available for other
15 United States uses.

16 *For purchase of foreign currencies which accrue under*
17 *title I of the Agricultural Trade Development and Assistance*
18 *Act of 1954, as amended (7 U.S.C. 1704), for the purposes*
19 *of market development activities under section 104(a) of that*
20 *Act, \$3,444,000, to remain available until expended: Pro-*
21 *vided, That the dollar value of the unexpended balances, as of*
22 *June 30, 1960, of allocations of foreign currencies heretofore*
23 *made available to the Foreign Agricultural Service for the*
24 *foregoing purposes of section 104(a) is appropriated as of*
25 *that date and shall be merged with this appropriation: Pro-*

1 vided further, That funds appropriated herein shall be used to
 2 purchase such foreign currencies as the Department deter-
 3 mines are needed and can be used most effectively to carry out
 4 the purposes of this paragraph, and such foreign currencies
 5 shall, pursuant to the provisions of section 104(a), be set
 6 aside for sale to the Department before foreign currencies
 7 which accrue under said title I are made available for other
 8 United States uses.

9 COMMODITY EXCHANGE AUTHORITY

10 SALARIES AND EXPENSES

11 For necessary expenses to carry into effect the pro-
 12 visions of the Commodity Exchange Act, as amended (7
 13 U.S.C. 1-17a), ~~(20)\$1,000,000~~ \$1,007,000.

14 COMMODITY STABILIZATION SERVICE

15 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

16 For necessary expenses to formulate and carry out
 17 acreage allotment and marketing quota programs pursu-
 18 ant to provisions of title III of the Agricultural Adjust-
 19 ment Act of 1938, as amended (7 U.S.C. 1301-1393),
 20 \$44,098,000, of which not more than \$7,125,000 shall be
 21 transferred to the appropriation account "Administrative ex-
 22 penses, section 392, Agricultural Adjustment Act of 1938".

23 SUGAR ACT PROGRAM

24 For necessary expenses to carry into effect the pro-
 25 visions of the Sugar Act of 1948 (7 U.S.C. 1101-1161),

1 \$78,000,000, to remain available until June 30 of the next
2 succeeding fiscal year: *Provided*, That expenditures (in-
3 cluding transfers) from this appropriation for other than
4 payments to sugar producers shall not exceed \$2,350,000.

5 AGRICULTURAL CONSERVATION PROGRAM

6 For necessary expenses to carry into effect the program
7 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
8 Conservation and Domestic Allotment Act, approved
9 February 29, 1936, as amended (16 U.S.C. 590g-590 (o),
10 590p (a), and 590q), including not to exceed \$6,000 for
11 the preparation and display of exhibits, including such dis-
12 plays at State, interstate, and international fairs within the
13 United States, \$238,000,000, to remain available until De-
14 cember 31 of the next succeeding fiscal year for compliance
15 with the program of soil-building and soil- and water-con-
16 serving practices authorized under this head in the Depart-
17 ment of Agriculture and Farm Credit Administration
18 Appropriation Act, 1961, carried out during the period
19 July 1, 1960, to December 31, 1961, inclusive(21), and the
20 amount of a State's basic allocation not so expended shall be
21 available for the State's succeeding program in addition to
22 such program otherwise authorized: *Provided*, That not
23 to exceed \$29,100,000 of the total sum provided under
24 this head shall be available during the current fiscal
25 year for administrative expenses for carrying out such pro-

1 gram, the cost of aerial photographs, however, not to be
2 charged to such limitation; but not more than \$5,750,000
3 shall be transferred to the appropriation account "Ad-
4 ministrative expenses, section 392, Agricultural Adjustment
5 Act of 1938": *Provided further*, That none of the funds
6 herein appropriated shall be used to pay the salaries or ex-
7 penses of any regional information employees or any State
8 information employees, but this shall not preclude the
9 answering of inquiries or supplying of information at the
10 county level to individual farmers: *Provided further*, That
11 such amounts shall be available for administrative expenses
12 in connection with the formulation and administration of the
13 1962 program of soil-building and soil- and water-conserving
14 practices(22), *including related wildlife conserving practices*,
15 under the Act of February 29, 1936, as amended (amount-
16 ing to \$250,000,000, including administration(23), *ex-*
17 *cept that hereafter not to exceed 15 per centum of the basic*
18 *allocation for any State may be used to increase the State's*
19 *preceding program*, and no participant shall receive more
20 than \$2,500, except where the participants from two or more
21 farms or ranches join to carry out approved practices designed
22 to conserve or improve the agricultural resources of the com-
23 munity) : *Provided further*, That no change shall be made
24 in such 1962 program which will have the effect in any
25 county of restricting eligibility requirements or cost-sharing

1 on practices included in either the 1958 or the 1959 pro-
2 grams, unless such change shall have been recommended by
3 the county committee and approved by the State committee:
4 *Provided further*, That not to exceed 5 per centum of the
5 allocation for the 1962 agricultural conservation program
6 for any county may, on the recommendation of such county
7 committee and approval of the State committee, be withheld
8 and allotted to the Soil Conservation Service for services of
9 its technicians in formulating and carrying out the agricul-
10 tural conservation program in the participating counties, and
11 shall not be utilized by the Soil Conservation Service for any
12 purpose other than technical and other assistance in such
13 counties, and in addition, on the recommendation of such
14 county committee and approval of the State committee, not
15 to exceed 1 per centum may be made available to any other
16 Federal, State, or local public agency for the same purpose
17 and under the same conditions: *Provided further*, That for
18 the 1962 program \$2,500,000 shall be available for technical
19 assistance in formulating and carrying out agricultural con-
20 servation practices and \$1,000,000 shall be available for
21 conservation practices related directly to flood prevention
22 work in approved watersheds: *Provided further*, That such
23 amounts shall be available for the purchase of seeds, ferti-
24 lizers, lime, trees, or any other farming material, or any

1 soil-terracing services, and making grants thereof to agricul-
 2 tural producers to aid them in carrying out farming practices
 3 approved by the Secretary under programs provided for
 4 herein: *Provided further*, That no part of any funds avail-
 5 able to the Department, or any bureau, office, corporation, or
 6 other agency constituting a part of such Department, shall
 7 be used in the current fiscal year for the payment of salary
 8 or travel expenses of any person who has been convicted of
 9 violating the Act entitled "An Act to prevent pernicious
 10 political activities", approved August 2, 1939, as amended,
 11 or who has been found in accordance with the provisions of
 12 title 18, United States Code, section 1913, to have violated
 13 or attempted to violate such section which prohibits the use
 14 of Federal appropriations for the payment of personal serv-
 15 ices or other expenses designed to influence in any manner
 16 a Member of Congress to favor or oppose any legislation or
 17 appropriation by Congress except upon request of any Mem-
 18 ber or through the proper official channels.

19 SPECIAL AGRICULTURAL CONSERVATION PROGRAM

20 For necessary administrative expenses to carry into
 21 effect a special agricultural conservation program pursuant
 22 to section 16(c) of the Soil Conservation and Domestic
 23 Allotment Act, as added by section 2 of the Act of March 22,
 24 1961, ~~(24)\$15,000,000~~ \$18,500,000.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, ~~(25)\$300,000,000~~ \$312,000,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That not to exceed \$12,500,000 shall be available for administrative expenses, of which not less than ~~(26)\$10,425,000~~ \$10,625,000 may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants.

FEDERAL CROP INSURANCE CORPORATION

OPERATING AND ADMINISTRATIVE EXPENSES

For operating and administrative expenses, \$6,561,000.

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, as follows: Rural electrification program, ~~(27)\$125,000,000~~ \$195,000,000; and rural telephone program, ~~(28)\$120,000,000~~ \$150,000,000; and additional amounts, not to exceed ~~(29)\$70,000,000~~ \$50,000,000 for the rural electrification program and ~~(30)\$30,000,000~~ \$12,500,000 for the rural telephone program, may be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1962 under the then existing conditions for the expeditious and orderly development of the rural electrification and telephone programs.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$10,024,000.

1 FARMERS HOME ADMINISTRATION

2 To carry into effect the provisions of titles I, II, and
3 the related provisions of title IV of the Bankhead-Jones
4 Farm Tenant Act, as amended (7 U.S.C. 1000-1031); the
5 Farmers Home Administration Act of 1946 (7 U.S.C. 1001,
6 note; 31 U.S.C. 82h; 12 U.S.C. 371; 35 D.C. Code 535;
7 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U.S.C.
8 436-439); the Act of August 28, 1937, as amended (16
9 U.S.C. 590r-590x-3), for the development of facilities for
10 water storage and utilization in the arid and semiarid areas
11 of the United States; the provisions of title V of the Hous-
12 ing Act of 1949, as amended (42 U.S.C. 1471-1483), re-
13 lating to financial assistance for farm housing; the Rural
14 Rehabilitation Corporation Trust Liquidation Act, approved
15 May 3, 1950 (40 U.S.C. 440-444); the items "Loans to
16 farmers, 1948 flood damage" in the Act of June 25, 1948
17 (62 Stat. 1038), and "Loans to farmers, property damage"
18 in the Act of May 24, 1949 (63 Stat. 82); the collecting
19 and servicing of credit sales and development accounts in
20 water conservation and utilization projects (53 Stat. 685,
21 719), as amended and supplemented (16 U.S.C. 590y, z-1
22 and z-10); and the Act to direct the Secretary of Agri-
23 culture to convey certain mineral interests, approved Sep-
24 tember 6, 1950 (7 U.S.C. 1033-1039), as follows:

LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that Act, as amended) :

Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, ~~(31) \$31,900,000~~ \$40,000,-000, of which not to exceed \$2,500,000 may be distributed to States and territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public lands; title II of the Bankhead-Jones Farm Tenant Act, as amended, ~~(32) \$225,000,000~~ \$237,500,000; the Act of August 28, 1937, as amended, \$3,000,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952: *Provided further*, That an additional amount, not to exceed ~~(33) \$25,000,000~~ \$37,500,000, may be borrowed under the

1 same terms and conditions to the extent that such amount is
 2 required during fiscal year 1962 under the then existing con-
 3 ditions for the expeditious and orderly conduct of the loan
 4 program under title II of the Bankhead-Jones Farm Tenant
 5 Act, as amended.

6 SALARIES AND EXPENSES

7 For making, servicing, and collecting loans and insured
 8 mortgages, the servicing and collecting of loans made under
 9 prior authority, the liquidation of assets transferred to Farm-
 10 ers Home Administration, and other administrative expenses,
 11 ~~(34)\$33,017,000~~ \$33,167,000, together with a transfer of
 12 not to exceed \$1,050,000 of the fees and administrative ex-
 13 pense charges made available by subsections (d) and (e) of
 14 section 12 of the Bankhead-Jones Farm Tenant Act, as
 15 amended (7 U.S.C. 1005 (b)), and section 10 (c) of the
 16 Act of August 28, 1937, as amended.

17 OFFICE OF THE GENERAL COUNSEL

18 SALARIES AND EXPENSES

19 For necessary expenses, including payment of fees or
 20 dues for the use of law libraries by attorneys in the field
 21 service, \$3,650,000(35): *Provided, That the Secretary may,*
 22 *if he finds it necessary for the more effective and efficient op-*
 23 *eration of the Department, transfer additional amounts to this*
 24 *appropriation from other appropriations available to the De-*
 25 *partment for salaries and expenses for the current fiscal year,*

1 *but this appropriation shall not be increased by more than*
 2 *7 per centum by reason of such transfers.*

3 OFFICE OF THE SECRETARY

4 SALARIES AND EXPENSES

5 For expenses of the Office of the Secretary of Agricul-
 6 ture; expenses of the National Agricultural Advisory Com-
 7 mission; stationery, supplies, materials, and equipment;
 8 freight, express, and drayage charges; advertising of bids,
 9 communication service, postage, washing towels, repairs and
 10 alterations, and other miscellaneous supplies and expenses
 11 not otherwise provided for and necessary for the practical
 12 and efficient work of the Department of Agriculture, ~~(36)\$2,~~
 13 ~~096,000~~ \$3,103,500: *Provided*, That this appropriation
 14 shall be reimbursed from applicable appropriations for travel
 15 expenses incident to the holding of hearings as required by
 16 the Administrative Procedures Act (5 U.S.C. 1001).

17 OFFICE OF INFORMATION

18 SALARIES AND EXPENSES

19 For necessary expenses of the Office of Information for
 20 the dissemination of agricultural information and the co-
 21 ordination of informational work and programs authorized by
 22 Congress in the Department, ~~(37)\$1,584,000~~ \$1,597,000, of
 23 which total appropriation not to exceed \$537,000 may be used
 24 for farmers' bulletins, which shall be adapted to the interests
 25 of the people of the different sections of the country, an

1 equal proportion of four-fifths of which shall be delivered
 2 to or sent out under the addressed franks furnished by the
 3 Senators, Representatives, and Delegates in Congress, as
 4 they shall direct (7 U.S.C. 417), and not less than two
 5 hundred and thirty-three thousand and fifty copies for the
 6 use of the Senate and House of Representatives of part 2
 7 of the annual report of the Secretary (known as the Year-
 8 book of Agriculture) as authorized by section 73 of the
 9 Act of January 12, 1895 (44 U.S.C. 241): *Provided*,
 10 That in the preparation of motion pictures or exhibits by
 11 the Department, not exceeding a total of \$10,000 may be
 12 used for employment pursuant to the second sentence of
 13 section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574),
 14 as amended by section 15 of the Act of August 2, 1946
 15 (5 U.S.C. 55a).

16 (38)CENTENNIAL OBSERVANCE OF AGRICULTURE

17 SALARIES AND EXPENSES

18 *For expenses necessary for planning, promoting, co-*
 19 *ordinating, and assisting participation by industry, trade*
 20 *associations, commodity groups, and similar interests in the*
 21 *celebration of the centennial of the establishment of the De-*
 22 *partment of Agriculture; and employment pursuant to sec-*
 23 *tion 706(a) of the Organic Act of 1944 (5 U.S.C. 574),*
 24 *as amended by section 15 of the Act of August 2, 1946 (5*
 25 *U.S.C. 55a); \$100,000, including not to exceed \$20,000*

1 *for additional printing costs of the 1962 Yearbook of Agri-*
 2 *culture, to remain available until December 31, 1962.*

3 LIBRARY

4 SALARIES AND EXPENSES

5 For necessary expenses, including dues for library mem-
 6 bership in societies or associations which issue publications
 7 to members only or at a price to members lower than to sub-
 8 scribers who are not members, ~~(39)\$1,000,000~~ \$1,057,000.

9 TITLE II—FOREIGN ASSISTANCE PROGRAMS

10 PUBLIC LAW 480

11 For expenses during fiscal year 1962, not otherwise
 12 recoverable, under the Agricultural Trade Development and
 13 Assistance Act of 1954, as amended (7 U.S.C. 1701–1709,
 14 1721–1724, 1731–1736), to remain available until expended,
 15 as follows: (1) Sale of surplus agricultural commodities for
 16 foreign currencies pursuant to title I of said Act, \$1,250,-
 17 451,000; (2) commodities disposed of for emergency famine
 18 relief to friendly peoples pursuant to title II of said Act,
 19 \$140,868,000; and (3) long-term supply contracts pursuant
 20 to title IV of said Act, \$13,000,000.

21 INTERNATIONAL WHEAT AGREEMENT

22 For expenses during fiscal year 1962 under the Interna-
 23 tional Wheat Agreement Act of 1949, as amended (7 U.S.C.
 24 1641–1642), \$70,681,000, to remain available until ex-
 25 pended.

1 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

2 For expenses during fiscal year 1962 related to strategic
3 and other materials acquired as a result of barter or exchange
4 of agricultural commodities or products and transferred to
5 the supplemental stockpile pursuant to Public Law 540,
6 Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000,
7 to remain available until expended.

8 TITLE III—CORPORATIONS

9 The following corporations and agencies are hereby
10 authorized to make such expenditures, within the limits of
11 funds and borrowing authority available to each such cor-
12 poration or agency and in accord with law, and to make
13 such contracts and commitments without regard to fiscal
14 year limitations as provided by section 104 of the Govern-
15 ment Corporation Control Act, as amended, as may be neces-
16 sary in carrying out the programs set forth in the budget
17 for the fiscal year 1962 for such corporation or agency, ex-
18 cept as hereinafter provided:

19 FEDERAL CROP INSURANCE CORPORATION FUND

20 Not to exceed \$2,830,000 of administrative and operat-
21 ing expenses may be paid from premium income.

22 COMMODITY CREDIT CORPORATION

23 RESTORATION OF CAPITAL IMPAIRMENT

24 To partially restore the capital impairment of the Com-
25 modity Credit Corporation determined by the appraisal of

1 June 30, 1960, pursuant to section 1 of the Act of March
2 8, 1938, as amended (15 U.S.C. 713a-1), \$1,017,610,000.

3 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
4 FOR COSTS OF FOREIGN ASSISTANCE AND OTHER
5 SPECIAL ACTIVITIES

6 To reimburse the Commodity Credit Corporation for
7 authorized unrecovered costs through June 30, 1961 (in-
8 cluding interest through date of recovery), as follows: (1)
9 \$88,790,000 under the International Wheat Agreement
10 Act of 1949, as amended (7 U.S.C. 1641-1642); (2)
11 \$255,685,000 for commodities disposed of for emergency
12 famine relief to friendly peoples pursuant to title II of the
13 Act of July 10, 1954, as amended (7 U.S.C. 1703, 1721-
14 1724); (3) \$1,353,000,000 for the sale of surplus agri-
15 cultural commodities for foreign currencies pursuant to title
16 I of the Act of July 10, 1954, as amended (7 U.S.C.
17 1701-1709); (4) \$13,000 for grain made available to
18 the Secretary of the Interior to prevent crop damage by
19 migratory waterfowl pursuant to the Act of July 3, 1956
20 (7 U.S.C. 442-445); (5) \$163,163,000 for strategic and
21 other materials acquired by the Commodity Credit Cor-
22 poration as a result of barter or exchange of agricultural
23 commodities or products and transferred to the supplemental
24 stockpile pursuant to Public Law 540, Eighty-fourth Con-
25 gress (7 U.S.C. 1856); (6) \$1,264,000 for transfers to the

1 appropriation "Marketing research and service" pursuant
 2 to the Act of August 31, 1951 (7 U.S.C. 414a), for grad-
 3 ing tobacco and classing cotton without charge to pro-
 4 ducers, as authorized by law (7 U.S.C. 473a, 511d):
 5 *Provided*, That the appropriations provided in this para-
 6 graph shall be immediately available: *Provided further*,
 7 That the unexpended balances of funds heretofore provided
 8 for the various purposes under this head may remain avail-
 9 able until expended for the purposes for which appropriated
 10 and may be merged with the funds provided in this
 11 paragraph.

12 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION
 13 FOR COSTS OF SPECIAL MILK PROGRAM

14 To reimburse the Commodity Credit Corporation for
 15 amounts advanced for the fiscal year beginning July 1, 1960,
 16 for the special milk program for children pursuant to the Act
 17 of July 1, 1958, as amended (72 Stat. 276; 74 Stat. 84-
 18 85), \$90,000,000.

19 LIMITATION ON ADMINISTRATIVE EXPENSES

20 Nothing in this Act shall be so construed as to prevent
 21 the Commodity Credit Corporation from carrying out any
 22 activity or any program authorized by law: *Provided*, That
 23 not to exceed ~~(40)\$47,500,000~~ \$47,916,000 shall be avail-
 24 able for administrative expenses of the Corporation: *Pro-*
 25 *vided further*, That \$1,000,000 of this authorization shall be

1 available only to expand and strengthen the sales program
2 of the Corporation pursuant to authority contained in the
3 Corporation's charter: *Provided further*, That not less than
4 7 per centum of this authorization shall be placed in reserve
5 to be apportioned pursuant to section 3679 of the Revised
6 Statutes, as amended, for use only in such amounts and at
7 such time as may become necessary to carry out program
8 operations: *Provided further*, That all necessary expenses
9 (including legal and special services performed on a contract
10 or fee basis, but not including other personal services) in
11 connection with the acquisition, operation, maintenance, im-
12 provement, or disposition of any real or personal property
13 belonging to the Corporation or in which it has an interest,
14 including expenses of collections of pledged collateral, shall
15 be considered as nonadministrative expenses for the purposes
16 hereof.

17 TITLE IV—RELATED AGENCIES

18 FARM CREDIT ADMINISTRATION

19 LIMITATION ON ADMINISTRATIVE EXPENSES

20 Not to exceed \$2,590,000 (from assessments collected
21 from farm credit agencies) shall be obligated during the cur-
22 rent fiscal year for administrative expenses.

23 FEDERAL FARM MORTGAGE CORPORATION FUND

24 The Federal Farm Mortgage Corporation is authorized
25 to make such expenditures, within available funds and in

1 accordance with law, as may be necessary to liquidate its
2 assets: *Provided*, That funds realized from the liquidation
3 of assets which are determined by the Board of Directors
4 to be in excess of the requirements for expenses of liquida-
5 tion shall be declared as dividends which shall be paid into
6 the general fund of the Treasury.

7 DEPARTMENT OF INTERIOR

8 GRAIN FOR MIGRATORY WATERFOWL

9 For expenses of supplying grain to the Secretary of the
10 Interior to prevent crop damage by migratory waterfowl pur-
11 suant to the Act of July 3, 1956 (7 U.S.C. 442-445),
12 \$35,000, to remain available until expended.

13 TITLE V—GENERAL PROVISIONS

14 SEC. 501. Within the unit limit of cost fixed by law, ap-
15 propriations and authorizations made for the Department
16 under this Act shall be available for the purchase, in addition
17 to those specifically provided for, of not to exceed three
18 hundred and ninety-eight passenger motor vehicles, of which
19 three hundred and eighty-five shall be for replacement only,
20 and for the hire of such vehicles.

21 SEC. 502. Provisions of law prohibiting or restricting the
22 employment of aliens shall not apply to employment under
23 the appropriation for the Foreign Agricultural Service.

1 SEC. 503. Funds available to the Department of Agri-
2 culture shall be available for uniforms or allowances therefor
3 as authorized by the Act of September 1, 1954, as amended
4 (5 U.S.C. 2131).

5 SEC. 504. No part of the funds appropriated by this Act
6 shall be used for the payment of any officer or employee of
7 the Department who, as such officer or employee, or on be-
8 half of the Department or any division, commission, or
9 bureau thereof, issues, or causes to be issued, any prediction,
10 oral or written, or forecast, except as to damage threatened
11 or caused by insects and pests, with respect to future prices
12 of cotton or the trend of same.

13 SEC. 505. Except to provide materials required in or
14 incident to research or experimental work where no suitable
15 domestic product is available, no part of the funds appro-
16 priated by this Act shall be expended in the purchase of
17 twine manufactured from commodities or materials produced
18 outside of the United States.

19 SEC. 506. Not less than \$1,500,000 of the appropria-
20 tions of the Department for research and service work
21 authorized by the Acts of August 14, 1946, July 28, 1954,
22 and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42

1 U.S.C. 1891-1893), shall be available for contracting in
2 accordance with said Acts.

3 This Act may be cited as the "Department of Agricul-
4 ture and Related Agencies Appropriation Act, 1962".

Passed the House of Representatives June 6, 1961.

Attest: RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments June 20, 1961.

Attest: FELTON M. JOHNSTON,
Secretary.

AN ACT

Making appropriations for the Department of
Agriculture and related agencies for the
fiscal year ending June 30, 1962, and for
other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 1961

Ordered to be printed with the amendments of the
Senate numbered

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE
(For information only;
should not be quoted
or cited)

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For actions of July 10, 1961
87th-1st, No. 114

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HIGHLIGHTS: Senate committee reported bills to continue authority for emergency livestock loans and to authorize annual appropriations to reimburse CCC for net realized losses. House passed bill to continue use of surplus commodities to assist underdeveloped areas (Title II of Public Law 480). Sen. Miller criticized farm bill.

SENATE

1. THE AGRICULTURE AND FORESTRY COMMITTEE reported the following bills: p. 11224
S. 763, without amendment, to authorize annual appropriations to reimburse CCC for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals (S. Rept. 506);
S. 1710, with amendment, to continue authority for emergency livestock loans (S. Rept. 503);
S. 1873, without amendment, to permit CCC commodities donated for use in home economics courses to also be used under certain circumstances for training college students (S. Rept. 504); and
S. 1107, with amendment, to continue the exemption of production of Durum wheat in portions of Modoc and Siskiyou Counties, Calif., from acreage allotments and marketing quota restrictions (S. Rept. 505).
2. FARM PROGRAM. Sen. Miller criticized the proposed omnibus farm bill, particularly the provisions providing for the establishment of national marketing

orders for marketing quotas for specified agricultural commodities. He expressed concern that enactment of the bill would require "thousands and thousands of new Federal employees who would be added to the Federal payroll to police this program," and inserted an article "stating that the emergency feed grains checkers are going to cost around \$3,500 at least for each of the 99 counties in Iowa, or up to a half million dollars for my State alone." pp. 11304-5

The "Daily Digest" states that the Agriculture and Forestry Committee "continued its executive consideration of S. 1643, proposed Agricultural Act of 1961, and agreed to make cherries and cranberries for canning or freezing eligible for marketing orders; and disapproved a provision making all other fruits and vegetables for canning or freezing so eligible." p. D544

Sen. Carlson inserted a resolution from the Pumpkin Creek, Kan., Farmers Union local favoring enactment of the omnibus farm bill, S. 1643. pp. 11223-4

3. EDUCATIONAL EXCHANGES. Continued debate on S. 1154, to provide for the improvement and strengthening of the educational and cultural exchange program (pp. 11261-78, 11292). By a vote of 17 to 71, rejected a motion by Sen. Dirksen to recommit the bill to the Foreign Relations Committee for further consideration (pp. 11261-71). Agreed to the committee amendments en bloc and the bill as amended is to be considered as original text for the purpose of further amendment (pp. 11271-7).
4. LIVESTOCK INDUSTRY. Sen. Hruska inserted resolutions adopted by the Nebr. Stock Growers Assoc. on various matters, including opposition to enactment of the omnibus farm bill, protection of the domestic livestock industry from excessive imports of foreign meats and livestock, eradication of brucellosis, closer supervision of interstate transactions of livestock buyers and sellers, greater promotion efforts for the sale of beef and beef products, and support for enactment of legislation for the protection of wilderness areas. pp. 11247-9
5. FOREIGN AID. Sen. Cooper inserted two articles urging support for the enactment of the President's foreign aid program. pp. 11231-2
6. FOREIGN TRADE. Sen. Javits spoke on the need "for reformulation of U. S. trade policy to meet the mortal challenge to U. S. free world leadership during the decade of the 1960's," and inserted several items on this subject. pp. 11249-61

HOUSE

7. APPROPRIATIONS. Conferees were appointed on H. R. 7444, the Department of Agriculture appropriation bill (p. 11307). Senate conferees have already been appointed.
The Appropriations Committee reported H. R. 8072, making appropriations for the government of the District of Columbia for 1962 (H. Rept. 686). p. 11379
8. CENTENNIALS. Passed over without prejudice H. J. Res. 435, to provide for recognition of the centennial of the establishment of the Department of Agriculture, and H. J. Res. 436, to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges. p. 11313
9. FARM PROGRAM. Rep. Curtis, Mo., inserted a statement of the American Farm Bureau Federation before the Senate Agriculture and Forestry Committee on S. 1643, the omnibus farm bill, saying in part, "A change in the direction of agricultural policy is long overdue, but the changes proposed in S. 1643 go in the wrong direction." pp. 11368-73

House of Representatives

MONDAY, JULY 10, 1961

The House met at 12 o'clock noon.

Rev. B. Pascale, minister, Silver Lake Baptist Church, Belleville, N.J., offered the following prayer:

O God, our Father, we invoke Thy help with reverence, thanksgiving, and praise. We are grateful for Thy loving kindness and tender mercy. Man does not live by bread alone. Out of Thy divine spirit we are fed with love, joy, peace, patience, kindness, self-control, and faithfulness.

Renew this faith, O God, while we wait upon Thee, that we may possess the conviction and assurance to see beyond the horizon of reason. It was this faith that gave our Founding Fathers vision, hope, and a task to accomplish the national miracle of the centuries. They laid the foundation whereon we are called to build the superstructure. Help us to build well.

Lift us up above the moods and fears of this present age. Rededicate and guide this House for the advancement of peace on earth and good will toward all people. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, July 6, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 866. An act to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals;

H.R. 2953. An act to amend section 521 of title 38, United States Code, to provide that certain service shall be creditable for pension purposes;

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions;

H.R. 4206. An act for the relief of Melvin H. Baker and Frances V. Baker;

H.R. 4349. An act to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates;

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date; and

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 51. An act to provide for a Commission on Presidential Office Space;

S. 739. An act to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund;

S. 841. An act to amend the Defense Department Oversea Teachers Pay and Personnel Practices Act, and for other purposes;

S. 931. An act to repeal that part of the act of March 2, 1899, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications and evidences of title;

S. 1087. An act to authorize and direct the transfer of certain Federal property to the Government of American Samoa; and

S. 1458. An act to amend the act of July 8, 1940, relating to the transportation of the remains, families, and effects of Federal employees dying abroad, so as to restore the benefits of such act to employees dying in Alaska and Hawaii, and for other purposes.

S.J. Res. 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from New York [Mr. POWELL] I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during general debate this week.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object, is that for the entire week?

Mr. ALBERT. That is the request.

Mr. GROSS. Will the gentleman tell us what the schedule of business for the entire week is, other than that presently announced?

Mr. ALBERT. There is no other business that I know anything about except for one conference report. Of course, there will be no general debate on that.

Mr. GROSS. So the schedule as announced for this week will stand without any particular change other than conference reports?

Mr. ALBERT. The gentleman from Oklahoma cannot speak for the majority leader, but so far as I know that is the only other business.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, why does not

the gentleman ask for this permission day by day and let us see what develops on the House floor. I think it is going entirely too far to ask for any committee and all subcommittees of that committee to sit for an entire week.

Mr. ALBERT. Mr. Speaker, I will revise my request and ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CORRECTION OF THE RECORD

Mr. BROOKS of Louisiana. Mr. Speaker, on June 20, on page A4618, in the extension of my remarks entitled "Bossier City High School Band" reference was made to the International Kiwanis Convention. That is an error. I ask unanimous consent that it be corrected to read "International Lions Convention."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1962

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? The Chair hears none and appoints the following conferees: Messrs. WHITTEN, NATCHER, CANNON, ANDERSEN of Minnesota, and TABER.

SELECT SUBCOMMITTEE OF COMMITTEE ON LABOR—PERMISSION TO SIT DURING GENERAL DEBATE

Mr. ZELENKO. Mr. Speaker, I ask unanimous consent that the Select Subcommittee on Labor may sit today, tomorrow, and Wednesday during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORITY TO DECLARE A RECESS WEDNESDAY, JULY 12, 1961

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, July 12, 1961, for the Speaker to declare a recess for the purpose of receiving in joint meeting the President of the Republic of Pakistan.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA DAY

The SPEAKER. This is District of Columbia day.

The Chair recognizes the gentleman from Mississippi.

CONFERRING JURISDICTION ON THE MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA OVER CERTAIN COUNTERCLAIMS

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 3222) to amend section 4(a) of the act of April 1, 1942, so as to confer jurisdiction on the Municipal Court for the District of Columbia over certain counterclaims and crossclaims in any action in which such court has initial jurisdiction, and ask unanimous consent that this bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 4(a) of the Act entitled "An Act to consolidate the police court of the District of Columbia and the municipal court of the District of Columbia, to be known as 'the municipal court for the District of Columbia', to create 'the municipal court of appeals for the District of Columbia', and for other purposes", approved April 1, 1942 (D.C. Code, sec. 11-755 (a)), is amended to read as follows: "The court and each judge thereof shall have and exercise the same powers and jurisdiction as were heretofore had or exercised by the police court of the District of Columbia or by the municipal court of the District of Columbia or the judges thereof on the effective date of this Act and in addition the said court shall have exclusive jurisdiction of civil actions in which the claimed value of personal property or the debt or damages claimed, exclusive of interest, attorneys' fees, protest fees, and costs, does not exceed the sum of \$3,000 and, in addition, shall also have exclusive jurisdiction of such actions against executors, administrators, and other fiduciaries as well as of all crossclaims and counterclaims interposed in all actions over which it has jurisdiction, regardless of the amount involved: *Provided, however,* That the District Court of the United States for the District of Columbia shall have jurisdiction of counterclaims and crossclaims interposed in actions over which it has jurisdiction."

Sec. 2. The amendment made by the first section of this Act shall apply only with respect to actions instituted on and after the date of enactment of this Act.

With the following committee amendment:

On page 2, following line 21, insert the following new section:

"Sec. 3. This Act shall take effect thirty days after enactment."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. ABERNETHY. Mr. Speaker, under existing law the municipal court for the District of Columbia has exclusive jurisdiction of civil actions, including counterclaims and crossclaims in which the claimed value of personal property or the debt or damages claimed, exclusive of interest, attorneys' fees, protest fees, and costs, does not exceed the sum of \$3,000.

The purpose of this legislation is to increase the jurisdiction of the municipal court for the District of Columbia in cases where crossclaims or counterclaims are filed in the excess of \$3,000. Under present law if a counterclaim or crossclaim is filed in excess of \$3,000 the case would require litigation in two courts. The municipal court would have jurisdiction for the claim which is under \$3,000 and where the counterclaim or crossclaim exceeds \$3,000 the jurisdiction would vest in the U.S. District Court for the District of Columbia. This has been so held in the case of *Hillgard v. Klein* (64 A. 2d 759 (1949)). This, of necessity, means that the litigation must be disposed of by two courts rather than one. It is the purpose of this bill to prevent such a situation and this would be accomplished by striking the phrase "including counterclaims and crossclaims" where it presently appears in the subsection, and inserting in lieu thereof, immediately before the proviso which occurs at the end of the subsection, the following phrase:

as well as of all crossclaims and counterclaims interposed in all action over which it has jurisdiction, regardless of the amount involved.

The proposed change in law would have the effect of clearly vesting the municipal court with exclusive jurisdiction over civil actions involving claims not in excess of \$3,000, even though counterclaims or crossclaims interposed in any such action might exceed this jurisdictional amount. The net result of the change would be to allow the municipal court alone to dispose of the litigation, and avoid the necessity of having the U.S. District Court hear and determine so much of the litigation as involved counterclaims and crossclaims in excess of \$3,000.

A public hearing was held on this legislation by a subcommittee of the House District Committee on June 26, 1961. No one appeared in opposition to the bill. The legislation was considered at a meeting of the full House District Committee on June 29, 1961, and was adopted by a unanimous voice vote of the members of the House District Committee. The legislation was approved by and introduced at the request of the Bar Association of the District of Columbia.

PROVIDING NEW BASIS FOR DETERMINING CERTAIN MARITAL PROPERTY RIGHTS

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 7265) to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Marital Property Rights Amendments of 1961".

SEC. 2. Section 940 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, sec. 18-101), is amended to read as follows:

"SEC. 940. COURSE OF DESCENTS GENERALLY.—On the death of any person seized of or entitled to an interest in an estate in lands, tenements, or hereditaments in the District of Columbia, and intestate thereof, the same shall descend in fee simple to such person's surviving spouse, if any, and kindred, who according to the laws of the District of Columbia now or hereafter in force relating to the distribution of the personal property of intestates, would be entitled to the surplus personal property of such intestate, if he or she had died a resident of the District of Columbia and possessed of such surplus personalty; and such surviving spouse and kindred shall take as tenants in common in the same proportions as are or shall be fixed by such laws relating to personal property. Such real property shall be liable, in the event of insufficiency of the personal property, for the payment of the intestate's funeral expenses, debts, costs of administration, and estate, inheritance, and succession taxes in the same manner and to the same extent as the personal property of such intestate. Should said lands, tenements, or hereditaments be sold under a decree of a court having jurisdiction over the same, then it shall be unnecessary to secure the consent of said widow or surviving husband to said sale, unless the widow elects to take her dower, if any, in all real estate whereof the husband, prior to November 29, 1957, was seized at any time during the marriage or the surviving spouse elects to take the right of dower provided by section 3 of the Act approved August 31, 1957, as amended by section 3 of the Marital Property Rights Amendments of 1961 (D.C. Code, sec. 18-201a)."

SEC. 3. Section 3 of the Act approved August 31, 1957 (71 Stat. 560; Public Law 85-244; D.C. Code, sec. 18-201a), is amended to read as follows:

"SEC. 3. Every husband and wife shall acquire by virtue of the marriage a right of dower which shall be an inchoate estate for life in one-third of the real property owned by the other spouse at any time during the marriage, whether by legal or equitable title, and whether held by either spouse at the time of his or her death or not, and such estate, which shall have the same incidents as the common law estate of dower in force and effect in the District of Columbia immediately prior to November 29, 1957, shall be in lieu of any inchoate rights acquired by or which may have attached to the real estate of any husband or wife by virtue of the provisions of subsection (b) of this section, as in effect immediately prior to the effective date of this amendment, and shall not operate to the prejudice of any claim for the purchase money of such lands. No such right of dower shall attach to any lands held

July 11, 1961

HOUSE

12. APPROPRIATIONS. The "Daily Digest" states, "Conferees met in executive session to resolve the differences between the Senate- and House-passed versions of H. R. 7444, fiscal 1962 appropriations for the Department of Agriculture, and related agencies, but did not reach final agreement, and will meet again on Friday, July 14." p. D553
13. PERSONNEL. Concluded debate on H. R. 6141, to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to Federal personnel. There is to be a roll call vote on this bill today, July 12. pp. 11381-8
14. EDUCATION. The Education and Labor Committee submitted part 2 of its report (H. Rept. 674) H. R. 7904, to extend and improve the National Defense Education Act. p. 11390
15. EMPLOYMENT. The General Subcommittee on Labor of the Education and Labor Committee voted to report to the full committee H. R. 7536, to authorize pilot training and employment programs for youths including on-the-job and other appropriate training, local public service programs, and conservation programs. p. D552
16. RECREATION; WATER. The Subcommittee on Flood Control of the Public Works Committee voted to report to the full committee H. R. 2299, to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas. p. D552
17. LEGISLATIVE PROGRAM. Rep. McCormack announced that the conference report on H. R. 6441, to provide for a more effective program of water pollution control, will be considered on Thurs., July 13. p. 11381

ITEMS IN APPENDIX

18. AGRICULTURAL LAW. Extension of remarks of Sen. Burdick inserting an article, "The Agricultural Law Research Program at the University of North Dakota School of Law." pp. A5154-5
19. WATER POLLUTION. Extension of remarks of Rep. Dingell inserting an article, "A Stronger Attack on Pollution," and saying "it is very satisfying to know that Congress has at last taken a first step toward bringing water pollution under control." p. A5172

BILLS INTRODUCED

20. SOIL BANK. H. R. 8073, by Rep. Breeding, to authorize the Secretary of Agriculture to extend conservation reserve contracts; to Agriculture Committee.
21. PERSONNEL. H. R. 8082, by Rep. Joelson, to provide for recognition of Federal employee unions and to provide procedures for the adjustment of grievances; to Post Office and Civil Service Committee.
22. FORESTRY. S. 2235, by Sen. Bennett, to establish Cedar Breaks National Monument as Cedar Breaks National Park; to Interior and Insular Affairs Committee. Remarks of author. pp. 11394-5

COMMITTEE HEARINGS ANNOUNCEMENTS:

July 12: Farm bill, S. Agriculture (exec) and H. Agriculture (exec).

Foreign aid bill, S. Foreign Relations (exec) and H. Foreign Affairs (exec).

July 14: Proposed water resources bill, S. Interior (Secretary Freeman to testify).

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE
(For information only;
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or cited)

Issued July 17, 1961
For actions of July 14, 1961
87th-1st, No. 118

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HIGHLIGHTS: Senate reconsidered and passed bill to permit removal of hay on conservation reserve acreage adjacent to disaster areas. Conferees agreed to file report on agricultural appropriation bill. Senate committee reported bill to increase per diem travel rates. Senate passed bill to continue exemption of durum wheat production in certain Calif. counties from allotments and quotas. Senate subcommittee voted to report HEW and independent offices appropriation bills. Senate received from President and Sen. Anderson introduced and discussed water resources planning bill.

SENATE

- 1. SOIL BANK; HAY.** Reconsidered and passed with amendments S. 2197, to authorize the Secretary of Agriculture to permit the removal of hay from, or grazing on, conservation reserve lands adjacent to or near disaster areas (pp. 11694, 11700-07, 11715). This bill was passed on July 12, but Sen. Williams, Del., later entered a motion to reconsider the vote by which the bill was passed. Agreed to amendments by Sen. Williams, Del., to provide that the President, rather than the Secretary of Agriculture, shall have authority to determine when areas shall be declared disaster areas, and to provide that the provisions of the bill shall expire on June 30, 1962.
- 2. DURUM WHEAT.** Passed as reported S. 1107, to continue the exemption of production of Durum wheat in portions of Modoc and Siskiyou Counties, Calif., from acreage allotments and marketing quota restrictions. p. 11719
- 3. AGRICULTURAL APPROPRIATION BILL, 1962.** The "Daily Digest" states, "Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House passed versions of H. R. 7444, fiscal 1962 appropriations for the Department of Agriculture, and related agencies." p. D572

APPROPRIATIONS.

4. A subcommittee of the Appropriations Committee voted to report with amendments to the full committee H. R. 7445, fiscal 1962 appropriations for independent offices. p. D570
A subcommittee of the Appropriations Committee voted to report with amendments to the full committee H. R. 7035, fiscal 1962 appropriations for the Departments of Labor and Health, Education, and Welfare. p. D570
5. PERSONNEL. The Post Office and Civil Service Committee reported with ^{out} amendment H. R. 5432, to make permanent certain increases in annuities payable from the civil service retirement and disability fund (S. Rept. 545), and with amendment H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business (S. Rept. 544). p. 11640
6. WATER RESOURCES. Received from the President a proposed bill "to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning; to Interior and Insular Affairs Committee. p. 11636
Received from the Governors' Conference a resolution favoring Congressional consent to the Delaware River Basin Compact and the Northeastern Water and Related Land Resources Compact. p. 11640
7. FARM PROGRAM. The Agriculture and Forestry Committee has issued a summary of S. 1643, the omnibus farm bill, as it was ordered reported by the Committee on July 12 (see Digest 116). Attached to this Digest is a copy of the summary issued by the Committee.
Received from the Wisconsin Better Government Committee a resolution protesting against S. 1643 and H. R. 6400, the omnibus farm bills; to Agriculture and Forestry Committee. p. 11637
8. WATERSHEDS. Received from the Budget Bureau plans for works of improvement on Big Creek, Ark.; Ulatis Creek, Calif.; South Branch Park River, Conn.; Indian Creek and Pony Creek, Iowa; Frog Creek, Kans.; Big Reedy Creek and Humphrey-Clanton Creek, Ky.; South Branch Cass River, Mich; Plum Creek, Nebr. Upper Red Rock Creek, Okla.; Brodhead Creek, Pa.; Anasco River, Puerto Rico; and Houser Creek, Tenn.; to Agriculture and Forestry Committee. p. 11636
Received from the Budget Bureau plans for works of improvement on Big Sandy Creek (supplement), Colo.; South River, Ga.; Middle Fork of Anderson River, Ind.; Middle-South Branch Forest River, N. Dak.; and Twin Parks, Wis., to Public Works Committee. p. 11637
9. FOOD FOR PEACE. Sen. Neuberger inserted an address by Sen. Humphrey at the First National Conference of the American Food for Peace Council in support of the food for peace program. pp. 11661-4
Sen. Keating inserted an article, "Peace Corps Program in India -- Literacy House," and said "I am very happy to report that ... under the terms of Public Law 480, \$151,000 in local currency will be made available to supplement this work." pp. 11687-8
10. MIGRANT LABOR. Sen. Neuberger inserted an article, "Voiceless People," and said, "It has long been the hope and aspiration of many conscientious Americans to extend economic and social justice to our migratory farmworkers." pp. 11664-5

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE
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HIGHLIGHTS: Senate committee reported farm bill. To be debated beginning next Monday. House received conference report on agricultural appropriation bill. House passed bill to extend date for holding wheat referendum. Senate passed bill to authorize annual appropriations to reimburse CCC for net realized losses. Sen. Keating criticized payments to N. Y. farmer under farm program. House passed bill for USDA and land-grant college centennial celebrations. Rep. Aspinall introduced and discussed water resources planning bill.

SENATE

1. **FARM PROGRAM.** The Agriculture and Forestry Committee reported with amendments S. 1643, the omnibus farm bill (S. Rept. 566). (See Digest 118 for a summary of the bill as reported by the committee.) Sen. Humphrey announced that it was the intention of the leadership to begin consideration of the bill next Mon., July 24 (p. 11769).

Sen. Keating criticized payments under the feed grains program to a N. Y. farmer who used the money to buy a new car, stated that Secretary Freeman had "accused the junior Senator from New York of seeking to make 'political hay' by meeting" with the farmer, and contended that unless "Farmer Smith and those like him challenge this program, we will soon be on the road to the complete federalization of agriculture." pp. 11768-9

2. CCC; APPROPRIATIONS. Passed without amendment S. 763, to authorize annual appropriations to reimburse CCC for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals. The bill provides for the amount of net gain or loss realized by CCC to be determined from the Corporation's financial statements as of the end of each fiscal year instead of requiring the Secretary of the Treasury to make an annual independent appraisal of the Corporation's assets and liabilities for the purpose of determining the net worth of the Corporation. p. 11749
3. PERSONNEL. Passed as reported S. 1070, to amend the Federal Employees' Group Life Insurance Act of 1954 so as to provide for an additional unit of life insurance for each insured employee (p. 11751). See Digest 118 for a summary of the bill.

Passed without amendment H. R. 5432, to make permanent the 1958 cost-of-living increases in annuities payable from the civil service retirement and disability fund. This bill will now be sent to the President. p. 11753

Passed over, at the request of Sen. Muskie, H. R. 3279, to increase the maximum rates of per diem allowance of Federal employees traveling on official business. p. 11753
4. TRANSPORTATION. Passed with an amendment S. 320, to amend the Interstate Commerce Act so as to permit State commissions to grant the right to motor common carriers operating within a single State to engage in interstate or foreign operations within the boundaries of the State in which intrastate authority is being simultaneously authorized, and to authorize ICC to issue certificates of registration to existing carriers engaged in interstate operations under part II of the Act (pp. 11789-91). Agreed to an amendment by Sen. Kuchel to provide that the effective date of this amendment shall be Dec. 31, 1961, rather than Apr. 1, 1961 (p. 11790).
5. SUGAR. Sen. Mansfield inserted an article discussing trade relations with Cuba, "Molasses Deal Points Up Cuban Trade Fact: Only Sugar Imports From Island Are Barred." pp. 11728-9
6. CIVIL DEFENSE. Received from the Office of Civil and Defense Mobilization a proposed bill "to further amend section 201 (1) of the Federal Civil Defense Act of 1950, as amended"; to Armed Services Committee. p. 11724
7. EDUCATIONAL EXCHANGES. By a vote of 79 to 5, passed with amendments (on Fri., July 14) S. 1154, to provide for the improvement and strengthening of the educational and cultural exchange program. pp. 11668-70
8. LEGISLATIVE PROGRAM. Sen. Smathers announced that the Atomic Energy Commission authorization bill will be considered Tues., the independent offices appropriation bill on Thurs. or Fri., and that it was the intention of the leadership to bring up the farm bill next Mon. p. 11791

HOUSE

9. AGRICULTURAL APPROPRIATION BILL, 1962. Received the conference report on this bill, H. R. 7444, (H. Rept. 726) (pp. 11793-5, 11851). Attached to this digest is a copy of the conference report and a summary of the action of the conferees.

Rep. McCormack announced that this conference report will be considered today, Tues., July 19. p. 11798

32. NATURAL RESOURCES. H. R. 8177, by Rep. Aspinall, to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning; to Interior and Insular Affairs Committee. Remarks of author. p. 11825
33. LIVESTOCK FEED; CCC. H. R. 8180, by Rep. Harrison, Wyo., to specify the price at which the Commodity Credit Corporation may sell corn to provide feed for livestock in areas determined to be emergency areas; to Agriculture Committee.
34. PERSONNEL. H. R. 8188, by Rep. Westland, to amend the Civil Service Retirement Act to provide for the resumption of surviving widows annuities upon termination of subsequent remarriages; to Post Office and Civil Service Committee.
35. FARM LABOR. H. R. 8191, by Rep. Zelenko, to amend the Fair Labor Standards Act of 1938 to extend the child labor provisions thereof to certain children employed in agriculture; to Education and Labor Committee.

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COMMITTEE HEARINGS ANNOUNCEMENTS:

July 18: Farm bill, H. Agriculture (exec).

Extension of Mexican farm labor program, S. Agriculture (exec).

Survey of national census of transportation, H. Post Office and Civil Service (Walsh, ERS, to testify).

Saline water conversion program, H. Interior.

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UNITED STATES DEPARTMENT OF AGRICULTURE

Conference Report on the Department of Agriculture and Farm Credit Administration Appropriation Bill, 1962

[Note.--Amounts for 1961 include all supplemental appropriations to date, and are adjusted for comparability with the appropriation structure provided in the 1962 Conference Report.]

Agency or Item	Appropriations : and Loan : Authorizations, : 1961	Revised : Budget : Estimates, : 1962	House : Bill, : 1962	Senate : Bill, : 1962	Conference : Report, : 1962
ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES:					
Agricultural Research Service:					
Salaries and expenses:					
Research a/	\$71,233,000:	\$77,174,000:	\$76,558,000:	\$78,015,500:	\$77,311,000
Plant and animal disease and pest control and meat inspection ...					
Salaries and expenses (Special foreign currency program)	77,096,000:	79,606,000:	79,381,000:	79,756,000:	79,568,500
Construction of facilities	15,131,000:	5,265,000:	5,265,000:	5,265,000:	5,265,000
State experiment stations (principally payments to States)	7,750,000:	550,000:	800,000:	800,000:	800,000
Extension Service (Principally payments to States)	32,803,000:	34,803,000:	34,803,000:	36,803,000:	35,553,000
Farmer Cooperative Service	67,568,000:	70,040,000:	69,992,000:	71,017,000:	70,804,500
Soil Conservation Service	657,000:	657,000:	657,000:	657,000:	657,000
Economic Research Service	155,067,000:	173,143,000:	178,680,000:	175,911,500:	178,680,000
Statistical Reporting Service	9,049,000:	9,533,000:	9,049,000:	9,364,000:	9,360,000
Agricultural Marketing Service:	8,188,000:	8,722,000:	8,688,000:	8,978,000:	8,748,000
Marketing research and service and payments to States					
School lunch program	35,107,100:	39,005,000:	39,102,000:	39,565,000:	39,364,500
Foreign Agricultural Service:	b/ 110,000,000:b/	b/ 120,000,000:b/	b/ 125,000,000:b/	b/ 125,000,000:b/	b/ 125,000,000
Salaries and expenses	c/ 15,275,300:c/	c/ 12,760,000:c/	c/ 12,457,000:c/	c/ 12,457,000:c/	c/ 12,457,000
Salaries and expenses (Special foreign currency program)	2,165,200:	3,444,000:	3,444,000:	3,444,000:	3,444,000
Commodity Exchange Authority	990,000:	1,007,000:	1,000,000:	1,007,000:	1,007,000

Agency or Item	Appropriations : and Loan : Authorizations, : 1961	Revised Budget Estimates, 1962	House Bill, 1962	Senate Bill, 1962	Conference Report, 1962
Commodity Stabilization Service:					
Acreage allotments and marketing quotas	43,598,000:	44,833,000:	44,098,000:	44,098,000:	44,098,000
Sugar Act program	74,500,000:	81,314,000:	78,000,000:	78,000,000:	78,000,000
Agricultural conservation program ..	242,000,000:d/	238,000,000:d/	238,000,000:d/	238,000,000:d/	238,000,000
Special agricultural conservation Program	- -	20,500,000:	15,000,000:	18,500,000:	18,500,000
Conservation reserve program	330,000,000:	330,000,000:	300,000,000:	312,000,000:	312,000,000
Federal Crop Insurance Corporation (Operating and administrative expenses)	6,561,000:	6,561,000:	6,561,000:	6,561,000:	6,561,000
Rural Electrification Administration (Salaries and expenses)	10,024,000:	10,024,000:	10,024,000:	10,024,000:	10,024,000
Farmers Home Administration (Salaries and expenses)	33,017,000:	33,317,000:	33,017,000:	33,167,000:	33,017,000
Office of the General Counsel	3,625,000:	3,650,000:	3,650,000:	3,650,000:	3,650,000
Office of the Secretary	3,080,500:	3,130,000:	3,096,000:	3,103,500:	3,096,000
Office of Information	1,548,000:	1,610,000:	1,584,000:	1,597,000:	1,590,500
Centennial observance of agriculture .	- -	130,000:	- -	100,000:	e/
Library	951,000:	1,057,000:	1,000,000:	1,057,000:	1,028,500
Net adjustment to reflect compara- tive transfers and transfer for pay act costs	- -	- -	- -	- -	- -
Total, Annual Appropriations for Regular Activities	1,163,000:	- -	- -	- -	- -
	1,358,147,100:	1,409,835,000:	1,378,906,000:	1,397,897,500:	1,397,584,500
ADMINISTRATIVE EXPENSES FROM CORPORATE FUNDS:					
Federal Crop Insurance Corporation Fund (Operating expenses payable from premium income)	2,630,000:	2,830,000:	2,830,000:	2,830,000:	2,830,000

Commodity Credit Corporation (Corporate administrative expense limitation)	45,726,000:	48,316,000:	47,500,000:	47,916,000:	47,916,000
Total, Administrative Expenses from Corporate Funds	48,356,000:	51,146,000:	50,330,000:	50,746,000:	50,746,000
COMMODITY CREDIT CORPORATION:					
Restoration of Capital Impairment	1,226,500,000:	1,017,610,000:	1,017,610,000:	1,017,610,000:	1,017,610,000
Reimbursement for costs of Special Milk Program (1961 costs)	- -	90,000,000:	90,000,000:	90,000,000:	90,000,000
Reimbursements for Costs of Special Activities (1960 and 1961 costs):					
Public Law 480	988,094,000:	1,608,685,000:	1,608,685,000:	1,608,685,000:	1,608,685,000
International Wheat Agreement	32,572,000:	88,790,000:	88,790,000:	88,790,000:	88,790,000
Bartered Materials for supplemental stockpile	422,950,000:	163,163,000:	163,163,000:	163,163,000:	163,163,000
Other	18,000:	1,277,000:	1,277,000:	1,277,000:	1,277,000
Total, Reimbursements for Costs of Special Activities	1,443,634,000:	1,861,915,000:	1,861,915,000:	1,861,915,000:	1,861,915,000
Total, Commodity Credit Corporation	2,670,134,000:	2,969,525,000:	2,969,525,000:	2,969,525,000:	2,969,525,000
FOREIGN ASSISTANCE PROGRAMS (1962 costs):					
Public Law 480	- -	1,464,368,000:	1,404,319,000:	1,404,319,000:	1,404,319,000
International Wheat Agreement	- -	70,681,000:	70,681,000:	70,681,000:	70,681,000
Bartered materials for supplemental stockpile	- -	174,800,000:	125,000,000:	125,000,000:	125,000,000
Total, Foreign Assistance Programs	- -	1,709,849,000:	1,600,000,000:	1,600,000,000:	1,600,000,000
LOAN AUTHORIZATIONS:					
Rural Electrification Administration Loans:					
Rural electrification	f/ 170,000,000:	f/ 195,000,000:	f/ 195,000,000:	f/ 245,000,000:	f/ 245,000,000
Rural telephone	g/ 140,000,000:	g/ 150,000,000:	g/ 150,000,000:	g/ 162,500,000:	g/ 162,500,000
Total, Rural Electrification Administration	310,000,000:	345,000,000:	345,000,000:	407,500,000:	407,500,000

Agency or Item	Appropriations :		Revised :		House :		Senate :		Conference :	
	and Loan :		Budget :		Bill, :		Bill, :		Report, :	
	Authorizations, :		Estimates, :		1962 :		1962 :		1962 :	
	1961 :		1962 :		1962 :		1962 :		1962 :	
Farmers Home Administration Loans:	:	:	:	:	:	:	:	:	:	:
Farm ownership	:	:	:	:	:	:	:	:	:	:
Farm operating	h/	31,900,000:	31,900,000:	31,900,000:	31,900,000:	40,000,000:	40,000,000:	40,000,000:	40,000,000:	40,000,000:
Soil and water conservation	h/	232,100,000:i/	232,100,000:i/	250,000,000:i/	250,000,000:i/	275,000,000:i/	275,000,000:i/	275,000,000:i/	275,000,000:i/	275,000,000:
Total, Farmers Home Administration	:	3,000,000:	3,000,000:	3,000,000:	3,000,000:	3,000,000:	3,000,000:	3,000,000:	3,000,000:	3,000,000:
Total, Loan Authorizations	h/	267,000,000:	267,000,000:	284,900,000:	284,900,000:	318,000,000:	318,000,000:	318,000,000:	318,000,000:	318,000,000:
	:	577,000,000:	612,000,000:	629,900,000:	629,900,000:	725,500,000:	725,500,000:	725,500,000:	725,500,000:	725,500,000:

- a/ In addition, 1961 Appropriation Act and 1962 House Bill, Senate Bill, and Conference Report authorize reappropriation of \$1,000,000 of prior year funds to provide additional labor for strengthening the work at research stations in the field. The 1962 revised budget estimates proposed a direct appropriation of \$1,000,000 for the same purpose.
- b/ In addition, it is provided that \$45 million shall be transferred from section 32 funds for purchase of agricultural commodities for distribution to schools.
- c/ In addition, it is provided that \$3,117,000 shall be transferred from section 32 funds and merged with this appropriation.
- d/ House Bill, Senate Bill, and Conference Report provide for advance authorization of \$250 million for the 1962 program; \$150 million was proposed in the revised budget estimates.
- e/ Reported in disagreement.
- f/ Includes reserve authorizations as follows: 1961, \$60 million; 1962 House Bill, \$70 million; Senate Bill, \$50 million; Conference Report, \$70 million; revised budget estimates proposed no reserve authorization. Including carryover funds and rescissions of prior year loans, electrification loans totaling \$274.5 million were made in fiscal year 1961.
- g/ Includes reserve authorizations as follows: 1961, \$60 million; 1962 House Bill, \$30 million; Senate Bill, \$12.5 million; Conference Report, \$30 million; revised budget estimates proposed no reserve authorization. Including amounts available from rescissions of prior year loans, telephone loans totaling \$142.4 million were made in fiscal year 1961.
- h/ Amounts shown include \$40 million reserve authorization as follows: \$5 million for farm ownership loans and \$35 million for farm operating loans.
- i/ Includes reserve authorizations as follows: House Bill, \$25 million; Senate Bill, \$37.5 million; Conference Report, \$37.5 million; revised budget estimates proposed no reserve authorization.

DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1962

JULY 17, 1961.—Ordered to be printed

Mr. WHITTEN, from the committee of conference, submitted the
following

CONFERENCE REPORT

[To accompany H.R. 7444]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 21, 29, 30, 34, and 36.

That the House recede from its disagreement to the amendments of the Senate numbered 16, 18, 20, 24, 25, 26, 31, 32, 33, and 40, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *a total of \$100,000 for*; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$77,311,000; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$55,352,500; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$35,053,000; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$35,553,000; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$58,020,000; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$59,590,000; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,464,500; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$9,360,000; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert \$8,748,000; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert \$4,740,000; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$33,299,500; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$175,000,000; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$132,500,000; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,590,500; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,028,500; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 5, 17, 19, 22, 23, 35, and 38.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
H. CARL ANDERSEN,
JOHN TABER,

Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
LISTER HILL,
A. WILLIS ROBERTSON,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,
HENRY DWORSHAK,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1—*Salaries and expenses*: Provides a maximum of \$100,000 for conversion of research facilities at Beltsville, Md., instead of \$50,000 as proposed by the House.

Amendment No. 2—*Research*: Appropriates \$77,311,000 instead of \$76,558,000 as proposed by the House and \$78,015,500 as proposed by the Senate. The amount agreed to includes the following increases above funds approved by the House:

- (1) \$10,000 to expand research on dodder;
- (2) \$25,000 to accelerate research on the cucumber beetle;
- (3) \$15,000 to accelerate research on sugarbeets;
- (4) \$25,000 to study the feasibility of special engineering research on mechanical aids in the harvesting of citrus crops and report the findings to the Committees on Appropriations of the two Houses;
- (5) \$20,000 to strengthen research on crown rot and bacterial diseases affecting peach production in North and South Carolina;
- (6) \$20,000 to expand research on windbreak shrubs at Cheyenne, Wyo.;
- (7) \$60,000 to accelerate research on rust strains affecting wheat, oats, and barley;
- (8) \$50,000 to step up research on wheat breeding and quality studies;
- (9) \$150,000 to accelerate research on air-sac diseases of broilers and turkeys;
- (10) \$35,000 to strengthen soybean breeding, basic physiology and nodulation research;
- (11) \$200,000 to institute research on the southwest range hydrology watershed. The transfer of \$25,000 to this facility will provide \$225,000 each for this facility and the north-central hydrology research watershed;
- (12) \$5,000 for housing of research machinery and equipment at Madison, S. Dak.;
- (13) \$5,000 for drainage research at East Franklin, Vt. In addition, not to exceed \$15,000 of the contingency research fund

may be used to complete terracing, subsurface drainage and instrumentation at this location;

(14) \$30,000 to accelerate research on saltcedars and other phreatophytes;

(15) \$37,500 to restore funds for soil and water research at Morris, Minn.

(16) \$65,500 to provide full operating funds for soil and water conservation laboratories at Tempe, Ariz.; Oxford, Miss.; Boise, Idaho; and Watkinsville, Ga.

Amendment No. 3—*Plant and animal disease and pest control*: Appropriates \$55,352,500 instead of \$55,165,000 as proposed by the House and \$55,540,000 as proposed by the Senate. The increase includes \$87,500 for plant quarantine work at ports of entry and \$100,000 for eradication of sheep scabies.

Amendment No. 4—*Special foreign currency program*: Reported in disagreement.

Amendment No. 5—*Construction of facilities*: Reported in disagreement.

Amendments Nos. 6 and 7—*State experiment stations*: Appropriate \$35,553,000 instead of \$34,553,000 as proposed by the House and \$36,553,000 as proposed by the Senate. The conferees request and expect that the additional \$1 million will be used to step up the research program on weed investigations.

EXTENSION SERVICE

Amendments Nos. 8 and 9—*Payments to States and Puerto Rico*: Appropriate \$59,590,000 instead of \$58,790,000 as proposed by the House and \$59,790,000 as proposed by the Senate.

Amendment No. 10—*Federal Extension Service*: Appropriates \$2,464,500 instead of \$2,452,000 as proposed by the House and \$2,477,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendment No. 11—*Flood prevention*: Appropriates \$25 million as proposed by the House instead of \$22,231,500 as proposed by the Senate.

The conferees are in agreement that of the funds provided for "Watershed protection," a total of \$6 million may be used for investigations and planning if determined to be necessary. This is in addition to some \$1.5 million expected to be expended by States and local organizations for watershed planning purposes.

ECONOMIC RESEARCH SERVICE

Amendment No. 12—*Salaries and expenses*: Appropriates \$9,360,000 instead of \$9,049,000 as proposed by the House and \$9,364,000 as proposed by the Senate. The sum of \$11,000 is provided for studies on coffee produced in the Kona district of Hawaii.

STATISTICAL REPORTING SERVICE

Amendment No. 13—*Salaries and expenses*: Appropriates \$8,748,000 instead of \$8,688,000 as proposed by the House and \$8,978,000 as proposed by the Senate. The increase over the House bill includes

\$15,000 for a special study and report on the practicability and feasibility of a timber price reporting service, including firm estimates on the costs involved and the proper method of financing the project; i.e., whether or not it should be financed from funds available to the Forest Service. The increase also includes \$45,000 to expand cattle-on-feed reports; those proposed for Nebraska have been omitted.

AGRICULTURAL MARKETING SERVICE

Amendment No. 14—*Marketing research*: Appropriates \$4,740,000 instead of \$4,515,000 as proposed by the House and \$4,870,000 as proposed by the Senate. The amount agreed to includes the following increases over the House bill:

(1) \$130,000 to develop plans and specifications for a research facility for peanuts and to accelerate marketing research on peanuts;

(2) \$10,000 for research on maintenance of quality in citrus;

(3) \$10,000 to study methods for gaging maturity of apples;

(4) \$75,000 for a marketing research project in Boston, Mass.

Amendment No. 15—*Marketing services*: Appropriates \$33,299,500 instead of \$33,187,000 as proposed by the House and \$33,370,000 as proposed by the Senate. The increase over the House bill includes:

(1) \$50,000 for administration of the Packers and Stockyards Act. The conferees concur in the Senate recommendation that the Secretary establish a separate agency for enforcement of this act, reporting directly to an Assistant Secretary;

(2) \$50,000 to strengthen supervision of U.S. grain grading;

(3) \$12,500 for the Midwest carlot meat trades reports, such amount to be matched by funds from State or private sources.

Amendment No. 16—*Payments to States and possessions*: Appropriates \$1,325,000 as proposed by the Senate instead of \$1,400,000 as proposed by the House.

Amendment No. 17—*School lunch program*: Reported in disagreement. The managers on the part of the House intend to offer a motion to earmark an additional \$10 million for commodity purchases under section 6 of the School Lunch Act, \$2,500,000 of which may be used to furnish special assistance where essential to provide a school lunch program. Since this is an experimental project, the Committees on Appropriations of the two Houses should be kept currently advised of developments in the program.

FOREIGN AGRICULTURAL SERVICE

Amendment No. 18—*Salaries and expenses*: Authorizes \$35,000 for representation allowances as proposed by the Senate in lieu of \$30,000 as proposed by the House.

Amendment No. 19—*Special foreign currency program*: Reported in disagreement.

COMMODITY EXCHANGE AUTHORITY

Amendment No. 20—*Salaries and expenses*: Appropriates \$1,007,000 as proposed by the Senate instead of \$1 million as proposed by the House.

COMMODITY STABILIZATION SERVICE

Amendment No. 21—*Agricultural conservation program*: Eliminates language proposed by the Senate relative to use of unexpended balances.

Amendments Nos. 22 and 23—*Agricultural conservation program*: Reported in disagreement.

Amendment No. 24—*Special agricultural conservation program*: Appropriates \$18,500,000 as proposed by the Senate instead of \$15 million as proposed by the House. The conferees direct, however, that the additional \$3,500,000 be placed in reserve by the Bureau of the Budget pursuant to section 3679 of the Revised Statutes, to be released only in such amounts and at such time as may become necessary to carry out program operations.

Amendments Nos. 25 and 26—*Conservation reserve program*: Appropriate \$312 million as proposed by the Senate instead of \$300 million as proposed by the House, and adjust administrative funds as proposed by the Senate.

RURAL ELECTRIFICATION ADMINISTRATION

Amendments Nos. 27 through 30—*Loan authorizations*: Provide \$245 million for rural electrification loans as proposed by the Senate, \$70 million of which is placed in a contingency reserve as proposed by the House, and provide \$162,500,000 for rural telephone loans as proposed by the Senate, \$30 million of which is placed in a contingency reserve as proposed by the House.

FARMERS HOME ADMINISTRATION

Amendment No. 31—*Loan authorizations*: Authorizes \$40 million for farmownership loans as proposed by the Senate instead of \$31,900,000 as proposed by the House.

Amendments Nos. 32 and 33—*Loan authorizations*: Authorize \$275 million for farm operating loans as proposed by the Senate. The conferees direct that the additional amount provided under amendment No. 32 be placed in reserve by the Bureau of the Budget to be handled in the same manner as the contingency fund provided under amendment No. 33.

Amendment No. 34—*Salaries and expenses*: Appropriates \$33,017,000 as proposed by the House instead of \$33,167,000 as proposed by the Senate.

OFFICE OF THE GENERAL COUNSEL

Amendment No. 35—*Salaries and expenses*: Reported in disagreement. The managers on the part of the House intend to offer a motion to concur in the provision inserted by the Senate with the understanding that this is temporary language under which only temporary increases in staff may be made.

OFFICE OF THE SECRETARY

Amendment No. 36—*Salaries and expenses*: Appropriates \$3,096,000 as proposed by the House instead of \$3,103,500 as proposed by the Senate.

OFFICE OF INFORMATION

Amendment No. 37—*Salaries and expenses*: Appropriates \$1,590,500 instead of \$1,584,000 as proposed by the House and \$1,597,000 as proposed by the Senate.

Amendment No. 38—*Centennial observance of Agriculture*: Reported in disagreement.

LIBRARY

Amendment No. 39—*Salaries and expenses*: Appropriates \$1,028,500 instead of \$1 million as proposed by the House and \$1,057,000 as proposed by the Senate.

COMMODITY CREDIT CORPORATION

Amendment No. 40—*Limitation on administrative expenses*: Provides \$47,916,000 for administrative costs as proposed by the Senate instead of \$47,500,000 as proposed by the House.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
H. CARL ANDERSEN,
JOHN TABER,

Managers on the Part of the House.



House of Representatives

MONDAY, JULY 17, 1961

The House met at 12 o'clock noon.

Dr. J. Conally Evans, pastor, Belmont Baptist Church, Odessa, Tex., offered the following prayer:

Scripture: Psalm 118: 24: *This is the day the Lord hath made, I will rejoice and be glad in Him.*

Blessed God of grace and goodness, we pause to thank Thee for another day amidst this decade of destiny.

We accept this day as a precious gem to be set with ample action and polished with proper performance.

We pray that in our plans and purposes we shall not allow immediacy to be ruined by the rule of procrastination.

Deliver us from the guilt of pre-mortem neglect and postmortem tribute in the fulfillment of our solemn obligations and responsibilities.

God grant that in this age of guided missiles and misguided men our country shall be delivered from the mistakes of the malicious.

In the name of Jesus Christ who taught us that today is all we have, all we need and all we can manage, we offer this petition. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, July 13, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1986. An act to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1107. An act to provide a 2-year extension of the existing provision for a minimum wheat acreage allotment in the Tule-lake area of California;

S. 1154. An act to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges; and

S. 2197. An act to amend section 107(a) (3) of the Soil Bank Act, as amended.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing

votes of the two Houses on the amendments of the Senate to the bill (H.R. 6441) entitled "An act to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control."

The message also announced that the Vice President has appointed Mr. JOHNSTON, of South Carolina, and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 62-1.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1962

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House on the bill H.R. 7444, making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, may have until midnight tonight to file a conference report on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 726)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 21, 29, 30, 34, and 36.

That the House recede from its disagreement to the amendments of the Senate numbered 16, 18, 20, 24, 25, 26, 31, 32, 33, and 40, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "a total of \$100,000 for"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$77,311,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree

to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$55,352,500"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$35,053,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$35,553,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$58,020,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$59,590,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,464,500"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$9,360,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$8,748,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,740,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$33,299,500"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$175,000,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree

to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$132,500,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,590,500"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,028,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 5, 17, 19, 22, 23, 35, and 38.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
H. CARL ANDERSEN,
JOHN TABER,

Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
LISTER HILL,
A. WILLIS ROBERTSON,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,
HENRY DWORSHAK,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and Related Agencies for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE *Agricultural Research Service*

Amendment No. 1—Salaries and expenses: Provides a maximum of \$100,000 for conversion of research facilities at Beltsville, Md., instead of \$50,000 as proposed by the House.

Amendment No. 2—Research: Appropriates \$77,311,000 instead of \$76,558,000 as proposed by the House and \$78,015,500 as proposed by the Senate. The amount agreed to includes the following increases above funds approved by the House:

- (1) \$10,000 to expand research on dodder;
- (2) \$25,000 to accelerate research on the cucumber beetle;
- (3) \$15,000 to accelerate research on sugarbeets;
- (4) \$25,000 to study the feasibility of special engineering research on mechanical aids in the harvesting of citrus crops and report the findings to the Committees on Appropriations of the two Houses;
- (5) \$20,000 to strengthen research on crown rot and bacterial diseases affecting peach production in North and South Carolina;
- (6) \$20,000 to expand research on wind-break shrubs at Cheyenne, Wyo.;
- (7) \$60,000 to accelerate research on rust strains affecting wheat, oats, and barley;
- (8) \$50,000 to step up research on wheat breeding and quality studies;
- (9) \$150,000 to accelerate research on air-sac diseases of broilers and turkeys;
- (10) \$35,000 to strengthen soybean breeding, basic physiology and nodulation research;
- (11) \$200,000 to institute research on the southwest range hydrology watershed. The transfer of \$25,000 to this facility will pro-

vide \$225,000 each for this facility and the north central hydrology research watershed;

(12) \$5,000 for housing of research machinery and equipment at Madison, S. Dak.;

(13) \$5,000 for drainage research at East Franklin, Vt. In addition, not to exceed \$15,000 of the contingency research fund may be used to complete terracing, subsurface drainage, and instrumentation at this location;

(14) \$30,000 to accelerate research on saltcedars and other phreatophytes;

(15) \$37,500 to restore funds for soil and water research at Morris, Minn.

(16) \$65,500 to provide full operating funds for soil and water conservation laboratories at Tempe, Ariz.; Oxford, Miss.; Boise, Idaho; and Watkinsville, Ga.

Amendment No. 3—Plant and animal disease and pest control: Appropriates \$55,352,500 instead of \$55,165,000 as proposed by the House and \$55,540,000 as proposed by the Senate. The increase includes \$87,500 for plant quarantine work at ports of entry and \$100,000 for eradication of sheep scabies.

Amendment No. 4—Special foreign currency program: Reported in disagreement.

Amendment No. 5—Construction of facilities: Reported in disagreement.

Amendments Nos. 6 and 7—State experiment stations: Appropriate \$35,553,000 instead of \$34,553,000 as proposed by the House and \$36,553,000 as proposed by the Senate. The Conferees request and expect that the additional \$1 million will be used to step up the research program on weed investigations.

Extension Service

Amendments Nos. 8 and 9—Payments to States and Puerto Rico: Appropriate \$59,590,000 instead of \$58,790,000 as proposed by the House and \$59,790,000 as proposed by the Senate.

Amendment No. 10—Federal Extension Service: Appropriates \$2,464,500 instead of \$2,452,000 as proposed by the House and \$2,477,000 as proposed by the Senate.

Soil Conservation Service

Amendment No. 11—Flood prevention: Appropriates \$25,000,000 as proposed by the House instead of \$22,231,500 as proposed by the Senate.

The Conferees are in agreement that of the funds provided for Watershed protection, a total of \$6,000,000 may be used for investigations and planning if determined to be necessary. This is in addition to some \$1.5 million expected to be expended by States and local organizations for watershed planning purposes.

Economic Research Service

Amendment No. 12—Salaries and expenses: Appropriates \$9,360,000 instead of \$9,049,000 as proposed by the House and \$9,364,000 as proposed by the Senate. The sum of \$11,000 is provided for studies on coffee produced in the Kona district of Hawaii.

Statistical Reporting Service

Amendment No. 13—Salaries and expenses: Appropriates \$8,748,000 instead of \$8,688,000 as proposed by the House and \$8,978,000 as proposed by the Senate. The increase over the House bill includes \$15,000 for a special study and report on the practicability and feasibility of a timber price reporting service, including firm estimates on the costs involved and the proper method of financing the project; i.e., whether or not it should be financed from funds available to the Forest Service. The increase also includes \$45,000 to expand cattle-on-feed reports; those proposed for Nebraska have been omitted.

Agricultural Marketing Service

Amendment No. 14—Marketing research: Appropriates \$4,740,000 instead of \$4,515,000 as proposed by the House and \$4,870,000 as proposed by the Senate. The amount agreed

to includes the following increases over the House bill:

(1) \$130,000 to develop plans and specifications for a research facility for peanuts and to accelerate marketing research on peanuts;

(2) \$10,000 for research on maintenance of quality in citrus;

(3) \$10,000 to study methods for gaging maturity of apples;

(4) \$75,000 for a marketing research project in Boston, Mass.

Amendment No. 15—Marketing services: Appropriates \$33,299,500 instead of \$33,187,000 as proposed by the House and \$33,370,000 as proposed by the Senate. The increase over the House bill includes:

(1) \$50,000 for administration of the Packers and Stockyards Act. The Conferees concur in the Senate recommendation that the Secretary establish a separate agency for enforcement of this Act, reporting directly to an Assistant Secretary;

(2) \$50,000 to strengthen supervision of U.S. grain grading;

(3) \$12,500 for the midwest carlot meat trades reports, such amount to be matched by funds from State or private sources.

Amendment No. 16—Payments to States and possessions: Appropriates \$1,325,000 as proposed by the Senate instead of \$1,400,000 as proposed by the House.

Amendment No. 17—School lunch program: Reported in disagreement. The Managers on the part of the House intend to offer a motion to earmark an additional \$10,000,000 for commodity purchases under section 6 of the School Lunch Act, \$2,500,000 of which may be used to furnish special assistance where essential to provide a school lunch program. Since this is an experimental project, the Committees on Appropriations of the two Houses should be kept currently advised of developments in the program.

Foreign Agricultural Service

Amendment No. 18—Salaries and expenses: Authorizes \$35,000 for representation allowances as proposed by the Senate in lieu of \$30,000 as proposed by the House.

Amendment No. 19—Special foreign currency program: Reported in disagreement.

Commodity Exchange Authority

Amendment No. 20—Salaries and expenses: Appropriates \$1,007,000 as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Commodity Stabilization Service

Amendment No. 21—Agricultural conservation program: Eliminates language proposed by the Senate relative to use of unexpended balances.

Amendments Nos. 22 and 23—Agricultural conservation program: Reported in disagreement.

Amendment No. 24—Special agricultural conservation program: Appropriates \$18,500,000 as proposed by the Senate instead of \$15,000,000 as proposed by the House. The Conferees direct, however, that the additional \$3,500,000 be placed in reserve by the Bureau of the Budget pursuant to section 3679 of the Revised Statutes, to be released only in such amounts and at such time as may become necessary to carry out program operations.

Amendments Nos. 25 and 26—Conservation reserve programs: Appropriate \$312,000,000 as proposed by the Senate instead of \$300,000,000 as proposed by the House, and adjust administrative funds as proposed by the Senate.

Rural Electrification Administration

Amendments Nos. 27 through 30—Loan authorizations: Provide \$245,000,000 for rural electrification loans as proposed by the Senate, \$70,000,000 of which is placed in a contingency reserve as proposed by the House, and provide \$162,500,000 for rural

telephone loans as proposed by the Senate, \$30,000,000 of which is placed in a contingency reserve as proposed by the House.

Farmers Home Administration

Amendment No. 31—Loan authorizations: Authorizes \$40,000,000 for farm ownership loans as proposed by the Senate instead of \$31,900,000 as proposed by the House.

Amendments Nos. 32 and 33—Loan authorizations: Authorize \$275,000,000 for farm operating loans as proposed by the Senate. The conferees direct that the additional amount provided under Amendment No. 32 be placed in reserve by the Bureau of the Budget to be handled in the same manner as the contingency fund provided under Amendment No. 33.

Amendment No. 34—Salaries and expenses: Appropriates \$33,017,000 as proposed by the House instead of \$33,167,000 as proposed by the Senate.

Office of the General Counsel

Amendment No. 35—Salaries and expenses: Reported in disagreement. The managers on the part of the House intend to offer a motion to concur in the provision inserted by the Senate with the understanding that this is temporary language under which only temporary increases in staff may be made.

Office of the Secretary

Amendment No. 36—Salaries and expenses: Appropriates \$3,096,000 as proposed by the House instead of \$3,103,500 as proposed by the Senate.

Office of Information

Amendment No. 37—Salaries and expenses: Appropriates \$1,590,500 instead of \$1,584,000 as proposed by the House and \$1,597,000 as proposed by the Senate.

Amendment No. 38—Centennial observance of Agriculture: Reported in disagreement.

Library

Amendment No. 39—Salaries and expenses: Appropriates \$1,028,500 instead of \$1,000,000 as proposed by the House and \$1,057,000 as proposed by the Senate.

Commodity Credit Corporation

Amendment No. 40—Limitation on Administrative Expenses: Provides \$47,916,000 for administrative costs as proposed by the Senate instead of \$47,500,000 as proposed by the House.

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Managers on the Part of the House.

CIVIL WAR CENTENNIAL COMMISSION

The SPEAKER laid before the House the following communication, which was read:

Pursuant to the provisions of section 1, Public Law 85-305, the Chair appoints as a member of the Civil War Centennial Commission the gentleman from Mississippi, Mr. SMITH, to fill the existing vacancy thereon.

CORRECTION OF ROLL CALL

Mr. LANE. Mr. Speaker, on roll call No. 56 I am recorded as absent. I was present and answered to my name. I ask unanimous consent that the permanent Record and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF TIME FOR REFERENDUM ON MARKETING QUOTA FOR WHEAT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S.J. Res. 116) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HOEVEN. Mr. Speaker, reserving the right to object—and I shall not object—will the gentleman please explain the purpose of this resolution.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, under existing law, the wheat referendum must be held by July 25. This resolution will extend that date until August 26. The reason for it is that it is expected that new wheat legislation which may affect allotments of wheat farmers may be passed subsequent to the date set for the referendum under existing law.

Mr. HOEVEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. ALBERT]?

There was no objection.

The Clerk read the joint resolution as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 336 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962, may be conducted not later than August 26, 1961."

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

THE FUTURE OF THE NATION'S CAPITAL

(Mr. REUSS asked and was given permission to address the House for 1 minute.)

Mr. REUSS. Mr. Speaker, I have asked time for a special order for this afternoon in which I intend to discuss the question of the future of Washington, the Nation's Capital.

The population experts predict that by the year 2000 we will have a population here for 5 million, up from the present 2 million. If that occurs, if nature takes its course unchecked, we are going to have what I think will be insoluble problems of water supply, waste disposal, park and green space, and traffic administration. I do not believe it is necessary that this happen. By attention to the location in the future of the nonpolicymaking branches of the Federal Government, we can avoid a too great massing of population.

I hope Members who are interested in this subject will be able to be present later this afternoon, so that we may have a dialogue on the vital subject of the future of the Nation's Capital.

CORRECTION OF RECORD

Mr. McMILLAN. Mr. Speaker, during the debate on the District appropriation bill on July 8, I asked the gentleman from Michigan [Mr. RABAULT], chairman of the committee, if his committee made any funds available for making studies in connection with the Washington Parking Agency. I ask unanimous consent that the permanent Record be corrected to show that statement instead of the phrase "the different departments," as appears in the Record.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

THE BERLIN CRISIS

(Mr. COLMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLMER. Mr. Speaker, we are in the midst of another Berlin crisis, the third since that unfortunate division of that great city was made. The President of the United States and other leading figures in the administration and also of the opposite party have stated repeatedly that we will not yield to appeasement of Russia in this matter. I think it would be very appropriate, Mr. Speaker, if the Congress itself went on record as being behind the President in his firm declaration not to yield to the masters of the Kremlin in this newly created crisis, the third, I repeat, since the trouble started over there. If we yield in this instance we might just as well fold up the tent and go home.

Mr. Speaker, immediately following the cessation of hostilities of World War II and more specifically, during the entire month of August 1945, a Subcommittee of the Postwar Economic Policy and Planning Committee, of which I had the honor of being Chairman, made a study of conditions in Europe, including some 10 days in Russia. After interviews with the then Premier, Joe Stalin, as well as the leaders of a dozen other European countries, we returned with the conviction that Russia wanted neither war nor peace; that she planned to overthrow our form of government by destroying our economy and require us to spend ourselves into bankruptcy. We reported to President Truman, Secretary of State Byrnes, and to the Congress immediately upon our return that this was their objective and that firmness and strength was the only language that the Kremlin understood. We urged an abandonment of the appeasement policy begun during the war.

Subsequently, as chairman of the committee, I introduced a broad and comprehensive resolution calling for a firm policy in dealing with the Kremlin. Unfortunately, we did not succeed in

the passage of this resolution. But, Mr. Speaker, I have never missed an opportunity on the floor of the House or elsewhere to repeat my advocacy of the abandonment of the appeasement and the institution of a firm policy in dealing with the Kremlin.

Again, Mr. Speaker, in March 1959, in another crisis over Berlin, I introduced a concurrent resolution (H.J. Res. 278) calling for a firm policy and placing the Congress on record as being solidified behind President Eisenhower in his declaration, "We will not budge an inch on Berlin."

While that resolution likewise was not adopted by the Congress, largely because the State Department thought it untimely, it did serve as a basis for White House discussion by the President with the congressional leaders of both parties. This conference resulted in the issuance of a statement by these leaders that the Congress was united in its support of the President's firm stand.

Today, Mr. Speaker, I have introduced a similar joint resolution. In view of the fact that the Communists, following their usual policy of distortion, raise questions about the unity and temper of our people in support of the President, I think it would be most helpful and conclusive if the Congress, consisting of the representatives of the people of the United States, went on record as backing President Kennedy wholeheartedly and firmly in his public—and I understand private—statements to Khrushchev that the United States will resist the latest Kremlin movement.

Mr. Speaker, I can see no other position for this country to take. Mr. Khrushchev is continuing the aggressive policy which has characterized the Kremlin ever since the end of the war. He is taking advantage of our known desire for peace. To appease in this instance would be fatal. The next demand would be for even more far-reaching concessions. If he gets by with this Berlin movement, who can say how long it will be before he will create a crisis on Cuba?

Moreover, I call your attention to the fact that in every instance where we have been firm, as in Greece and Turkey and in the Berlin airlift, they have backed down.

Finally, Mr. Speaker, there is no question about the willingness of our people to back up the President in this instance. They recognize that this is a calculated risk. But after 15 years of yielding to the Kremlin they realize that appeasement will get us nowhere. I am confident that the resolution would pass the Congress unanimously if the opportunity is given the membership to vote it.

The resolution follows:

Whereas the primary purpose of the United States in its relations with all other nations is and always has been to develop and sustain a just and enduring peace for all; and

Whereas at the conclusion of hostilities in World War II the United States, the Soviet Republic, the British Empire, and the Republic of France entered into a solemn and binding covenant that the city of Berlin, Germany, should be and remain under the jurisdiction of the four parties to said agreement, with the right of ingress and egress

thereto, until a final and binding peace treaty should be executed between the said Allies on the one hand and the Government representing the German people on the other; and

Whereas there has been no such final peace treaty signed by the parties; and

Whereas the said solemn and binding agreement for the said rights of the parties to said covenant to ingress and egress in the said city, are, therefore, still in existence and binding on all parties thereto; and

Whereas the people of the United States of America feel in duty and honor bound to observe and carry out their obligations as one of the signatories to said covenant; and

Whereas the U.S. Government also is in duty and honor bound to adhere to its obligations to the German Republic and the other members of the North Atlantic Treaty Organization pact; and

Whereas the said Berlin agreement and the North Atlantic Treaty Organization's obligations are now threatened by one of the signatory members of the said Berlin agreement; and

Whereas such threat gravely endangers the peace and security of not only the peoples of the German Republic, as well as the subscribers to the North Atlantic Treaty Organization pact, but of the peoples of the whole free world; and

Whereas the Congress of the United States, composed of the representatives of and reflecting the will and judgment of the citizens of the United States, is wholeheartedly and unanimously behind the President in his firm declarations of policy to honor the aforesaid commitments: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be, and he is hereby, authorized to take whatever steps he deems necessary, including the use of the Armed Forces of the United States, for the specific purpose of securing and protecting the obligations and duties under the existing covenants heretofore entered into, with particular reference to the right of ingress and egress in and to the said city of Berlin, Germany; and the taking of such other measures as he judges to be required or appropriate in the premises.

This resolution shall expire when the aforesaid covenants and agreements have been abrogated by new or different agreements entered into by the parties concerned.

MORE HOUSE MEMBERS JOIN GROUP OPPOSING BACK-DOOR FINANCING OF FOREIGN AID

(Mr. PELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PELLY. Mr. Speaker, last week I advised the House that 83 Members of this body had joined in expressing their opposition to the administration's proposal for financing foreign aid outside the normal appropriations procedure.

Since then 16 additional House Members have requested that their names be included—making a total of 99 Congressmen who have urged the Committee on Foreign Affairs against mutual security legislation that would bypass the requirement of an annual check and review to see that the taxpayers' money is spent wisely and the program administered efficiently.

The list of the original 83 Members appeared in the CONGRESSIONAL RECORD of July 10 and can be found on page

11364. The chairman of the Committee on Foreign Affairs has been requested to include the following 16 signatures to the original letter urging the elimination of back-door financing in this program: JOHN M. ASHBROOK, WILLIAM A. AVERY, RALPH F. BEERMANN, E. A. CEDERBERG, G. ELLIOTT HAGAN, A. SYDNEY HEALONG, JR., AUGUST E. JOHANSEN, CHARLES R. JONAS, CARLETON J. KING, VICTOR A. KNOX, WILLIAM M. MCCULLOCH, WALTER L. McVEY, ROBERT H. MICHEL, WILLIAM E. MINSHALL, WILLIAM K. VAN PELT, and JOHN BELL WILLIAMS.

AUTOMOBILE FINANCING

(Mr. MEADER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEADER. Mr. Speaker, earlier this afternoon the gentleman from Texas [Mr. PATMAN] addressed the House on the subject of automobile financing. I have a copy of the speech which he prepared and which I assume he inserted in its full text in the RECORD.

I propose to answer the questions the gentleman from Texas [Mr. PATMAN] raised in this speech in the special order I have been granted for this afternoon.

I am a member of the Antitrust Subcommittee of the Committee on the Judiciary, and have sat through its hearings on automobile financing and have spent a great deal of time on this subject. I think the Members should be advised of the real character of this legislation, H.R. 71.

EXTENSION OF REMARKS

Mr. FINO. Mr. Speaker, I ask unanimous consent to insert my own remarks at this point in the RECORD in two separate instances.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ARGENTINE LOTTERY

Mr. FINO. Mr. Speaker, I have heard much in recent months about the financial needs of South America. But if those nations need some financial assistance from us, we could do with a little financial instruction from them.

Most South American nations are not wealthy, and they need to utilize the best possible revenue-raising devices. Accordingly, virtually every South American nation has realized the wisdom of a national lottery. One of the most productive of these lotteries is the one administered by the government of Argentina.

In 1960, the gross receipts of the Argentine lottery came to \$25 million. The Government's profit was slightly more than half of this sum. Much of this was spent for social and medical work.

Let us not make aid to South America a one-way street—we can profit from their financial know-how as well.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE
(For information only;
should not be quoted
or cited)

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For actions of July 18, 1961
87th-1st, No. 120

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HIGHLIGHTS: House committee approved farm bill. Both Houses agreed to conference report on agricultural appropriation bill. Senate subcommittee approved bill to extend Mexican farm labor program. Sen. McCarthy urged legislation for higher wages for Mexican farm laborers. Sen. Williams, Del., criticized feed grains program. Sen. Anderson announced joint committee hearings on water resources bill for July 26. Senate committee reported legislative branch appropriation bill.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1962. Both Houses agreed to the conference report on this bill, H. R. 7444, and acted on amendments in disagreement (pp. 11854-7, 11929-32). This bill will now be sent to the President. Action was taken on the amendments in disagreement as follows:

Amendment No. 4: Concurred in the Senate amendment providing that this Department shall have first priority of available foreign currencies arising from Public Law 480 activities, and providing \$5,265,000 for ARS for the purchase of such foreign currencies for market development research in foreign countries and for agricultural and forestry research in co-operation with foreign countries.

Amendment No. 5: Concurred in the Senate amendment providing that the Secretary of Agriculture may purchase land at a price not in excess of \$10 for construction of ARS facilities at Columbia, Mo.

Amendment No. 17: Concurred in a substitute amendment by Rep. Whitten to provide that \$10,000,000 of the appropriation for the school lunch program shall be available for assistance under sec. 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, \$2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children.

Amendment No. 19: Concurred in the Senate amendment providing that this Department shall have first priority to available foreign currencies arising from Public Law 480 activities, and providing \$3,444,000 for FAS for the purchase of such currencies for market development activities in foreign countries.

Amendment No. 22: Concurred in the Senate amendment providing that the 1962 ACP program may include related wildlife conservation practices whenever these practices are included as a part of the conservation program.

Amendment No. 23: Concurred in a substitute amendment by Rep. Whitten providing that hereafter not to exceed 10 percent (rather than 15 percent as proposed by the Senate) of the basic allocation of ACP funds for any State may be used to increase the State's preceding program.

Amendment No. 35: Concurred in the Senate amendment providing that the Secretary may transfer additional amounts to the appropriation for the Office of the General Counsel from other appropriations available to the Department for salaries and expenses for the current fiscal year, but that the appropriation for OGC shall not be increased by more than 7 percent by reason of such transfers.

Amendment No. 38: Concurred in the Senate amendment providing \$100,000 for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture.

2. FARM LABOR; LIVESTOCK DISEASES. The Subcommittee on Agricultural Research and General Legislation of the Agriculture and Forestry Committee approved for full committee consideration S. 860, to grant the Secretary of Agriculture additional authority for protection against the introduction and dissemination of diseases of livestock and poultry, and, with an amendment in the nature of a substitute, H. R. 2010, to extend the Mexican farm labor program. p. D582

Sen. McCarthy urged modification of the Mexican farm labor program to provide that growers, to be eligible to contract for Mexican nationals, must offer them wages at least equivalent to the average hourly farm wage in the State, or the national farm wage average, whichever is lesser, stated that this "provides an objective and reasonable criterion," and inserted several items on this matter. pp. 11955-7

3. PERSONNEL; MOTOR VEHICLES. The "Daily Digest" states that a subcommittee of the Judiciary Committee approved for "full committee consideration H. R. 2883 (S. 202), providing for defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment (amended)." p. D583



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No. 120

House of Representatives

The House met at 12 o'clock noon.
The Chaplain, Rev. Bernard Braskamp, DD., offered the following prayer:
St. John 16: 33: *In the world ye shall have tribulation; but be of good cheer, I have overcome the world.*

Most merciful and gracious God, who art daily challenging us with many glorious opportunities to serve our beloved country, grant that each may do so to the extent of his ability and all with equal fidelity.

Inspire us with a patriotism that never wavers and a courage that never falters as we strive to fulfill the high and holy mission with which we have been entrusted.

May we authenticate the glory and grandeur of the lofty ideals and principles of our Republic by manifesting these in our personal conduct and in our creed as a peace-loving nation, seeking the welfare of all mankind.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 16, 1961:

H.R. 1346. An act for the relief of John Napolis;

H.R. 4327. An act to amend section 714 of title 32, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office;

H.R. 4940. An act relating to duty-free imports of Philippine tobacco;

H.R. 5178. An act for the relief of the Reynolds Feal Corp., New York, N.Y., and the Lydick Roofing Co., Fort Worth, Tex.; and

H.R. 6094. An act to amend section 4 of the Employment Act of 1946.

On June 21, 1961:

H.R. 1293. An act for the relief of Djura Zelenbaba;

H.R. 1360. An act for the relief of Anna B. Prokop;

H.R. 1467. An act for the relief of Modesta Pitarch-Martin Dauphinais;

H.R. 1508. An act for the relief of Mary A. Combs;

H.R. 1523. An act for the relief of Kazimiera Marek;

H.R. 1572. An act for the relief of Mrs. Sato Yasuda;

H.R. 1578. An act for the relief of Mah Quoock;

H.R. 1621. An act for the relief of Miss Kristina Voydanoff;

H.R. 1622. An act for the relief of Dr. George Berberian;

H.R. 1871. An act for the relief of Min Ja Lee;

H.R. 1873. An act for the relief of Anna Stanislaw Ziolo;

H.R. 1886. An act for the relief of Panagiotis Sotiropoulos;

H.R. 2101. An act for the relief of Evelina Scarpa;

H.R. 2107. An act for the relief of Pietro DiGregorio Bruno;

H.R. 2116. An act for the relief of Wanda Ferrara Spera;

H.R. 2141. An act for the relief of Henry Wu Chun and Arlene Wu Chun;

H.R. 2158. An act for the relief of certain aliens;

H.R. 3489. An act for the relief of Bernard Jacques Gerard Caradec;

H.R. 3846. An act for the relief of M. Sgt. Louis Benedetti, retired;

H.R. 3850. An act for the relief of Clark L. Simpson;

H.R. 4217. An act for the relief of David Tao Chung Wang;

H.R. 4219. An act for the relief of the estate of William M. Farmer;

H.R. 4282. An act for the relief of Casimir Lazarz;

H.R. 4713. An act for the relief of Robert Burns DeWitt; and

H.J. Res. 437. Joint resolution relating to the time for filing a report on renegotiation by the Joint Committee on Internal Revenue Taxation.

On June 27, 1961:

H.R. 311. An act to authorize the acceptance by the Government of gifts to be used to reduce the public debt;

H.R. 1877. An act relating to the effective date of the qualification of Plumbers Union Local No. 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and for other purposes;

H.R. 5000. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 7218. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members.

On June 29, 1961:

H.R. 6713. An act to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal aid highway program, and for other purposes.

On June 30, 1961:

H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek;

H.R. 1441. An act for the relief of certain aliens;

H.R. 1642. An act for the relief of Mrs. Lilyan Robinson;

H.R. 1677. An act for the relief of Elie Hara;

H.R. 1717. An act for the relief of Angelo Li Destri;

H.R. 1718. An act for the relief of Jaime E. Concepcion;

H.R. 1888. An act for the relief of Tomislav Lazarevich;

H.R. 2152. An act for the relief of Mrs. Francisca Hartman;

H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro;

H.R. 2351. An act for the relief of Hans Hangartner;

H.R. 2671. An act for the relief of Giovanna Bonavita;

H.R. 2972. An act for the relief of Mrs. Cornelia Fales;

H.R. 2991. An act for the relief of Joseph Maz;

H.R. 3146. An act for the relief of Jozef Gromada;

H.R. 3283. An act to revise the boundaries and to change the name of Fort Vancouver National Monument, in the State of Washington, and for other purposes;

H.R. 4023. An act for the relief of Mieczyslaw Bajor;

H.R. 4201. An act for the relief of Evangelia Kurtales;

H.R. 4482. An act for the relief of Urszula Sikora, Radoslaw Vulin, and Desanka Vulin;

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia Hospital Center to extend the time during which appropriations may be made for the purposes of that act;

H.R. 5416. An act to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes;

H.R. 5475. An act to transfer a section of Blue Ridge Parkway to the Shenandoah Na-

tional Park, in the State of Virginia, and for other purposes;

H.R. 5760. An act to revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes;

H.R. 5765. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

H.R. 6027. An act to improve benefits under the old-age survivors' and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes;

H.R. 6422. An act to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes;

H.R. 7446. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates;

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act;

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes;

H.J. Res. 384. Joint resolution providing for acceptance by the United States of America of the agreement for the establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

On July 6, 1961:

H.R. 1710. An act for the relief of Marinder Singh Somal;

H.R. 1860. An act for the relief of Jovenal Gornes Verano;

H.R. 4500. An act to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.; and

H.R. 5723. An act to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program.

On July 11, 1961:

H.R. 1575. An act for the relief of Mrs. Anneliese Franciska Guay;

H.R. 1602. An act for the relief of Ido Enrico Cassandro;

H.R. 1887. An act for the relief of Helen Tilford Lowery;

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore;

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo;

H.R. 2165. An act for the relief of Marie F. Bailish;

H.R. 2835. An act for the relief of Jose Lauchengco, Jr.;

H.R. 3371. An act for the relief of George Sauter (also known as Georgios Makkas);

H.R. 3722. An act for the relief of Maria Czyz Krupa;

H.R. 4636. An act for the relief of Ralph B. Cleveland; and

H.R. 4796. An act for the relief of Richard A. Hartman.

On July 14, 1961:

H.R. 1258. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and

concurrent resolutions of the House of the following titles:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate;

H.R. 1353. An act for the relief of Max Bleier;

H.R. 1477. An act for the relief of Man-sureh Rinehart;

H.R. 1620. An act for the relief of Kejen Pi Corsa;

H.R. 1626. An act for the relief of Jack Konko;

H.R. 1911. An act for the relief of Ricaredo Bernabe Deia Cena;

H.R. 1915. An act for the relief of Mrs. Sode Hatta;

H.R. 2360. An act for the relief of Mrs. Tome Takamoto;

H.R. 4557. An act for the relief of Manuel Martinez-Lopez;

H.R. 5432. An act to make permanent certain increases in annuities payable from the civil service retirement and disability fund;

H.R. 5548. An act to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes;

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional \$500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes;

H. Con. Res. 308. Concurrent resolution providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups";

H. Con. Res. 309. Concurrent resolution providing for additional copies of hearings entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership";

H. Con. Res. 320. Concurrent resolution authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies; and

H. Con. Res. 327. Concurrent resolution authorizing the printing of additional copies of House Document No. 198 of the 84th Congress, entitled "The Commission on Intergovernmental Relations."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and concurrent resolutions of the House of the following titles:

H.R. 879. An act to amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes;

H.R. 6611. An act to amend paragraph 1798(c) (2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes;

H. Con. Res. 311. Concurrent resolution providing for additional copies of House Document 336, 86th Congress, 2d session, entitled "Facts of Communism—Volume I, the Communist Ideology"; and

H. Con. Res. 342. Concurrent resolution authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN, and providing for additional copies.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in

which the concurrence of the House is requested:

S. 320. An act to amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State;

S. 333. An act for the relief of Godofredo M. Herzog;

S. 763. An act to authorize annual appropriation to reimburse Commodity Credit Corporation for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals, and for other purposes;

S. 1054. An act for the relief of Huan-pin Tso;

S. 1070. An act to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance;

S. 1088. An act for the relief of Ivan Balog;

S. 1205. An act for the relief of Roger Chong Yeun Dunne;

S. 1305. An act for the relief of Kazuo Ito and Satomi Ito;

S. 1459. An act to amend the provisions of law relating to longevity step increases for postal employees;

S. 1492. An act to amend the act of March 24, 1948, which establishes special requirements governing the selection of superintendents of national cemeteries;

S. 1527. An act for the relief of James D. Jallili;

S. 1716. An act for the relief of Dr. Alexander Corpaclus;

S. 1775. An act to authorize the Secretary of the Interior to expend appropriated funds to acquire approximately 12 acres of land for the Richmond National Battlefield Park, and for other purposes;

S. Con. Res. 29. Concurrent resolution authorizing attendance of delegations from the Senate and House of Representatives at meeting of the Commonwealth Parliamentary Association; and

S. Con. Res. 31. Concurrent resolution relating to certain aliens.

APPROPRIATIONS FOR GENERAL GOVERNMENT MATTERS, 1962

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, with the Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Messrs. ANDREWS, GARY, CANNON, FENTON, and TABER.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the state-

ment of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 17, 1961.)

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, it takes so few, 12 percent, to produce food, clothing, and shelter for the rest of us, that the rest of us, 88 percent, provide the highest standard of living for all of us.

In that short statement lies the secret of our wonderful standard of living. Also in those few words, "It takes so few of us," is found the underlying cause of most of our present farm problems and an invitation for even greater ones for the future because the appeal by the press and by political leaders will be to the 88 percent, the nonfarm group.

Truly when the press says "\$7 billion have been provided to run the Department of Agriculture" for the next year, it is evident what agriculture is up against.

Such a statement is completely misleading. The figure used includes cost of last year's foreign aid, and funds heretofore expended for numerous nonfarm programs, for the soil bank of 4 years ago, which was no good to start with but on which we are "hooked" with outstanding contracts.

Such a figure also includes the total amount authorized for loans which will be repaid with interest. Whoever heard

of any responsible person contending that the sound loans of a bank should be charged up as an annual cost of operation? Only the American farmer takes such a beating before the public.

Such a statement also ignores the more than \$1 billion the Department takes in each year, which goes into the general fund of the Treasury.

I would point out that only \$1.4 billion in the bill is for research, extension, protection against diseases and pestilence, soil conservation, watershed protection, school lunch, and other programs for primary protection to agriculture for the good of all. It is to the farmers we must look for food, clothing, and shelter.

Seven hundred and twenty-five million dollars of the amount in the bill is for loans which will be repaid in full with interest; \$312 million is to pay off previous contractual commitments made under the soil bank; \$170 million is for school lunch.

More than \$3 billion in the bill is to reimburse the Commodity Credit Corporation for expenditures made for various foreign assistance and other special programs, plus price support costs of last year, for which our committee had to pick up the tab.

Mr. Speaker, it is my belief that the administration's farm bill is hardly a cure. Frankly to me it appears to be a grant of authority.

Despite defects in the present farm program, a comparison of its cost with costs passed to the consumer as part of the retail price by labor and industry as a result of protective laws is small indeed.

The farmer receives only 38 cents of the consumer's dollars spent for farm

products. Even with all elements of cost that are paid by the consumer and by the Government, including the 163 percent markup after products leave the farmer's hands, food and fiber still remain the best bargain the American public receives.

I am particularly pleased that funds have been provided in this bill for increased attention to quarantine service, meat and poultry inspection, research and extension work, and disease and pest control. To stay ahead of insects, disease, and pestilence requires an all-out and continuous effort.

I am glad, too, that we were able to increase the school lunch funds to provide for an increasing school population.

Also, our conferees are gratified that we were able to provide increased funds for new soil conservation districts and for watershed protection and flood prevention programs. We are especially happy that we were able to get the Senate conferees to back up on their cut of \$2,768,500, in flood prevention and to agree to restore half of the \$1 million cut in planning funds for watershed protection. If these funds had not been restored, the Senate cut would have adversely affected perhaps the best investment the Federal Government makes in the future of our Nation.

The bigger our debt, the greater our problems, the more imperative it is that we keep a nation strong at home. We must protect our food supply.

Mr. Speaker, I am inserting a summary table which sets forth and compares the budget estimates, amounts passed by both Houses, and final conference action for the appropriations and loan authorizations contained in the bill.

Summary of agriculture appropriation bill, fiscal year 1962 (H.R. 7444)

Title or item	Budget estimate (revised)	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimates	House	Senate
Appropriations:							
Title I.—Regular activities.....	\$1,409,835,000	\$1,378,906,000	\$1,397,897,500	\$1,397,934,500	—\$11,900,500	+\$19,023,500	+\$37,000
Title II.—Foreign assistance programs.....	1,709,849,000	1,600,000,000	1,600,000,000	1,600,000,000	—109,849,000		
Title III.—Corporations.....	2,969,525,000	2,969,525,000	2,969,525,000	2,969,525,000			
Title IV.—Related agencies.....	35,000	35,000	35,000	35,000			
Total appropriations.....	6,089,244,000	5,948,466,000	5,967,457,500	5,967,494,500	—121,749,500	+19,023,500	+37,000
Loan authorizations:							
Rural Electrification Administration:							
Electrification loans:							
Direct authorization.....	195,000,000	125,000,000	195,000,000	175,000,000	—20,000,000	+50,000,000	—20,000,000
Contingency authorization.....		70,000,000	50,000,000	70,000,000	+70,000,000		+20,000,000
Total.....	195,000,000	195,000,000	245,000,000	245,000,000	+50,000,000	+50,000,000	
Telephone loans:							
Direct authorization.....	150,000,000	120,000,000	150,000,000	132,500,000	—17,500,000	+12,500,000	—17,500,000
Contingency authorization.....		30,000,000	12,500,000	30,000,000	+30,000,000		+17,500,000
Total.....	150,000,000	150,000,000	162,500,000	162,500,000	+12,500,000	+12,500,000	
Total, REA loans.....	345,000,000	345,000,000	407,500,000	407,500,000	+62,500,000	+62,500,000	
Farmers Home Administration:							
Farm ownership loans.....	31,900,000	31,900,000	40,000,000	40,000,000	+8,100,000	+8,100,000	
Farm operating loans:							
Direct authorization.....	232,100,000	225,000,000	237,500,000	237,500,000	+5,400,000	+12,500,000	
Contingency authorization.....		25,000,000	37,500,000	37,500,000	+37,500,000	+12,500,000	
Total.....	232,100,000	250,000,000	275,000,000	275,000,000	+42,900,000	+25,000,000	
Soil and water conservation loans.....	3,000,000	3,000,000	3,000,000	3,000,000			
Total, FHA loans.....	267,000,000	284,900,000	318,000,000	318,000,000	+51,000,000	+33,100,000	
Total, loan authorizations.....	612,000,000	629,900,000	725,500,000	725,500,000	+113,500,000	+95,600,000	

(Mr. ANDERSEN of Minnesota asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ANDERSEN of Minnesota. Mr. Speaker, I have listened with interest to the remarks of the gentleman from Mississippi [Mr. WHITTEN] and wish to commend him for his statements.

Mr. Speaker, our Subcommittee on Agriculture Appropriations has spent many days in hearings, developing all of the information which is necessary in order to render fair judgment on these matters. We had over 300 witnesses appear before us in those hearings and the information and testimony filled some 2,200 pages in the report. We on the committee made a searching inquiry into each and every one of the items in this bill, during the hearings.

As one of the five conferees from the House chosen to meet with the conferees from the Senate, I would like to say that this report of the conferees represents our combined decisions. Some of us felt that additional adjustments should have been made in a few items, but the will of the majority has prevailed, and I am giving my support to the bill as reported even though I, like other members of the conferees' committee, have not in every instance had my way.

This bill represents a compromise. It represents the group judgment of men who have literally lived with the agriculture budget in recent months. They are able men and they represent a complete range of interests from consumers to producers of various commodities.

What the future will bring in the way of new legislation and new programs, no one knows. It is, therefore, of vital importance to American agriculture, to farm people, to the food and fiber processing industries, and to the public as a whole that we properly and adequately finance the farm programs now in being and provide for the continuation of such vital matters as research, conservation, disease eradication, and school lunch programs.

The American consumer is better fed than ever before in our history, and at a lower cost in relation to hourly earnings than ever before. American agriculture has eliminated, here in America, mankind's oldest anxiety—the fear of hunger and famine. Yet agriculture, in the minds of many, is associated with the word "surplus" or "subsidy" rather than with the word "success" or "efficiency."

We must continue to make every effort to see that there is sufficient production of food and fiber to supply our Nation in the years ahead, through more effective distribution of our tremendous production; through adequate disease and pest control research; through utilization of our agricultural production with special concern for our school-children and our needy.

We must assure the efficient farmers of this Nation the opportunity to achieve a decent income, without exploiting either the consumers or taxpayers, through continuation of present farm programs until better ones are enacted; through continuation and expansion of

conservation of soil and water; through research aimed at control or elimination of the enormous toll taken yearly by diseases of plants, animals and poultry; through price supports for the production of agricultural commodities where needed.

At the moment we have more land than we need. Our granaries are overflowing with surplus crops in spite of land-retirement programs. But let us look at the world in which we live. In 1830, only 130 years ago, there were a billion people on this earth. In 1935 the world population had increased to 2 billion. Today the population is 3 billion, and in only 5 more years the population of the world will reach 4 billion. We are increasing at the rate of $2\frac{1}{2}$ million every 10 days. The whole problem of our ability to produce in the future rests primarily with our water and soil resources and our ability to use them wisely.

In the combination of research, field experimentation, conservation, and utilization, lies the hope of meeting the Nation's agricultural needs of the future.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 5, line 8, strike out lines 8 to 21 inclusive and insert: "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104 (a), and for agricultural and forestry research authorized by section 104(k) of that Act, to remain available until expended, \$5,265,000: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Agricultural Research Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 4 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 6, line 20, insert: "*Provided*, That the Secretary may purchase land at a price not in excess of \$10 for construction of facilities at Columbia, Missouri."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 5 and concur therein.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. About how much did the Senate add to the bill?

Mr. WHITTEN. Nineteen million dollars.

Mr. HOFFMAN of Michigan. Nineteen million dollars?

Mr. WHITTEN. Nineteen million dollars, which is \$121 million below the budget.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 16, line 18, strike out lines 18 to 25, inclusive, and on page 17 strike out lines 1, 2, and 3.

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 17 and concur therein with an amendment, as follows: In lieu of the matter stricken by the Senate insert the following: "*Provided further*, That \$10,000,000 of this appropriation shall be available for assistance under section 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, \$2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 18, line 3, strike out lines 3 to 15, inclusive, and insert: "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, \$3,444,000, to remain available until expended: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Foreign Agricultural Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 21, line 14, insert "including related wildlife conserving practices."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 21, line 16, insert: "except that hereafter not to exceed 15 percentum of the basic allocation for any State may be used to increase the State's preceding program."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment as follows: In lieu of the figure "15" contained in said amendment insert the figure "10."

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I have not read the report, as perhaps I should have, but did the House recede every time?

Mr. WHITTEN. No. The Senate receded quite a number of times. The ones that we are taking up here now are those where we disagreed with the Senate. Of course, we had to reach some agreement.

Mr. HOFFMAN of Michigan. The House receded sometimes?

Mr. WHITTEN. My attention is called to the fact that the House receded on 10 out of 40 amendments.

Mr. HOFFMAN of Michigan. Would it save any time if we let the Senate write the bill?

Mr. WHITTEN. I have sometimes wondered, if they wrote it, whether they might "up" everything; but at least we held it down to where we receded on 10 out of 40 items, which is not a bad batting average, based on my own experience.

Mr. HOFFMAN of Michigan. Let me compliment the gentleman on winning at least one victory, if we did.

Mr. WHITTEN. I thank the gentleman.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: Page 28, line 21, "Provided, That the Secretary may, if he finds it necessary for the more effective and

efficient operation of the Department, transfer additional amounts to this appropriation from other appropriations available to the Department for salaries and expenses for the current fiscal year, but this appropriation shall not be increased by more than 7 per centum by reason of such transfers."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 35 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: Page 30, line 16: "CENTENNIAL OBSERVANCE OF AGRICULTURE
"SALARIES AND EXPENSES

"For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$100,000, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 38 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

NATIONAL LOTTERY OF DENMARK

(Mr. FINO asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FINO. Mr. Speaker, I would like to point out to the Members of this House the benevolent influence of the National Lottery of Denmark.

Denmark, like the other nations of Scandinavia, has reduced gambling to an orderly minimum by complete state control. There is no underworld problem, and illegal betting is not the source of difficulty to the police that it is in most other nations.

The gross annual receipts of the Danish National Lottery came to \$6 million in 1960, and profits were applied to the general fund of the treasury.

Perhaps the greatest blessing of the Danish National Lottery, as has been indicated, is the effect it has on the underworld. State control of gambling has struck at a pillar of organized crime. Here in the United States, we could derive a similar social profit, in addition to a financial profit, from the institution of a national lottery.

FREE AIR PASSENGER SERVICE FOR AMERICAN TAXPAYERS

(Mr. GROSS asked and was given permission to address the House for 1 min-

ute, and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I take this opportunity to urge all American taxpayers who want to fly to Europe to contact the Air Force to arrange free passenger service in the same way Pierre Salinger and his daughter went to Europe on June 30.

In response to an inquiry, Air Force Secretary Zuckert tells me that Salinger and his daughter made the trip to Europe on a "space available" basis along with other nonofficial tourists. Zuckert claims the space would have gone unused had not Salinger, his daughter, and the others taken it.

Mr. Speaker, the Salinger daughter has no connection with the Government, and I suggest all American taxpayers and their families should be allowed to take advantage of this no-cost tourist service across the Atlantic. Apparently the "space available" free-flight line forms on the left at the Air Force ticket counter.

FREE PASSENGER SERVICE TO MEMBERS OF CONGRESS

(Mr. HOFFMAN of Michigan asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Speaker—may I have the attention of the gentleman from Iowa [Mr. GROSS]—what was said here a moment ago is all very well, but I do not want to go to Europe. I want to go to Newfoundland. There is fine salmon fishing there and I have heard indirectly that Members of Congress can go there every weekend by Government plane. Then if they pay a little something for private transportation to some of the streams, they can get very good salmon fishing. Will the gentleman advise me by communication with my office because I do not want all the Members in on this, how we can get up there?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. Wait a minute. I do not want this made public. My constituents would not approve of it. They believe we should not use tax dollars for personal pleasure and so do I.

TRANSPORTATION ABROAD

(Mr. HAYS asked and was given permission to address the House for 1 minute.)

Mr. HAYS. Mr. Speaker, may I say to the gentleman from Iowa that a better way to get transportation abroad if he could arrange it would be the way Secretary Benson used to do it for his whole family, in a special, private plane with no other people except Secretary Benson, his family, and certain selected newspaper reporters.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa.

Mr. GROSS. If I had had my way, Mr. Benson would not have been around to spend \$227,000 on that.

Mr. HAYS. It is too bad the gentleman did not have his way, but he seemed to be a minority in his own party when Mr. Benson was around.

BOYS NATION

(Mr. O'HARA of Illinois asked and was given permission to extend his remarks at this point in the Record.)

Mr. O'HARA of Illinois. Mr. Speaker, there is much in the newspapers and in the public mind on juvenile delinquency. I do not think we hear enough on the other, the bigger and the brighter side.

It is a matter of great pride that I announce to the House that James Nicholas Alexander, a young man from the district I have the honor to represent, was one of two young men chosen statewide to represent the great State of Illinois at the Boys Nation to be convened in Washington this week. The other young man is J. Stephen Hogland of Riverside, Ill. These two young men were selected as possessing the highest qualifications as model citizens of all the youth in our great State.

This is the sort of thing that more accurately reflects the high moral character of the modern youth of America than sensational stories of the misdeeds of delinquents, who, I hope and believe, always will be in a great minority in our United States of America.

James Nicholas Alexander is the son of Mr. and Mrs. Nicholas Alexander, residing at 7325 South Luella Avenue, Chicago, not only in the district that I represent but in the ward in which I have lived for half a century. He will be a senior at South Shore High School this fall. He has been active in all the school activities and has been president of the student council of one of the outstanding high schools in Chicago. He, with J. Stephen Hogland, were among the 1,400 Illinois high school juniors who gathered at the Boys State in Illinois, a youth activity sponsored by the American Legion for the purpose of acquainting the boys with the functioning of government on the local, county, and State level and instructing them in the duties and responsibilities accompanying the right of citizenship. Of this 1,400, young Alexander and young Hogland were selected to represent Illinois at the Boys Nation in Washington, at which there will be two boys from each of the other States of the Union selected in similar manner. As his Congressman, I am very proud of Jim Alexander. He has brought honor and distinction to the Second Congressional District, has set a pattern in deportment, morality, and patriotism.

I cannot close without expressing my thanks to the American Legion for what it is doing in its work of encouraging American youth to reach the highest traditions of our country. There is no project in the youth field that is reaching more deeply and more effectively into the problem of juvenile delinquency than this project of the American Legion. It is based upon the principle that youth can be encouraged by the setting of high ideals. This is a much better way than that of scolding and chiding.

FOREIGN AID

(Mr. PASSMAN asked and was given permission to address the House for 1 minute.)

Mr. PASSMAN. Mr. Speaker, during the past 6 years the Congress reduced the President's requests for foreign aid funds by an aggregate of \$4,565 million. During that same period the executive branch overstated the needs for the program by at least an additional \$1,535 million, because that is the total amount of unobligated funds for the 6 years. Their misleading information, calculated misrepresentation, and gross lack of knowledge of the program's needs and operations now prompt the people handling foreign aid to try to get their funds directly out of the Treasury without the scrutiny of the appropriate congressional committees.

These people claim that borrowing authority, through the backdoor of the Treasury, would not weaken or lessen congressional control of the program. This is flatly misstating the facts, and those who are making these misrepresentations know that it is.

If this approach is correct, why not put the Defense Department, for example, on the same basis?

If the Congress ever releases the purse-strings to the executive branch, in the manner that is now being sought for foreign aid, the action could prove to be a direct path to socialism, or to an indirect form of dictatorship.

May the Supreme Power, at this crucial moment, give our leaders and the manipulators the courage and the sober sense of fairplay to withdraw immediately their unsound proposal to expend funds for the worldwide foreign aid program without the committees of the Congress having the right of examination and recommendation of the amounts needed, as under the present law.

I suggest, Mr. Speaker, it appears that the embarrassment, extravagance, waste, and abandoned projects have become so great that the dreamers and the schemers must think that unless they can hoodwink the people through this new approach, then the program would fall of its own weight, and in that process also lead to the repudiation of those people who so blandly follow bureaucratic whims from downtown.

Mr. Speaker, the great leader that you have been for so many years, can you not justify coming to the rescue of the Congress at this time, and helping it to maintain some degree of respectability from the American public? Is it not true, Mr. Speaker, that it is contrary to the Constitution and our concepts of the legislative duty and function, for the executive branch—without any legislation, or even a partial authorization, much less an appropriation—to be making such commitments, a billion to this country, a billion to that country, and hundreds of millions to other countries? They are, through such plans, moving toward making a mockery of this legislative body that all of us love.

Let me add that if the present administration succeeds in getting the foreign-aid money through the back-door approach, when Mr. and Mrs. America finally realize what has happened to them, and to generations to follow, then in all probability there might very well be a mass involuntary retirement of members from the Congress.

(Mr. PASSMAN asked and was given permission to revise and extend his remarks.)

INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

In accordance with the provisions of section 9 of Public Law 860 of the 84th Congress, I transmit herewith for the information of the Congress the Ninth Semiannual Report of operations under the International Cultural Exchange and Trade Fair Participation Act of 1956.

JOHN F. KENNEDY.

THE WHITE HOUSE, July 18, 1961.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

WORTHINGTON OIL REFINERS, INC.

The Clerk called the bill (H.R. 1414) for the relief of the Worthington Oil Refiners, Inc.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

MRS. MAURICIA REYES

The Clerk called the bill (H.R. 3843) for the relief of Mrs. Mauricia Reyes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Mauricia Reyes, the sum of \$50,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Mauricia Reyes against the United States arising out of the personal injuries sustained by the said Mrs. Mauricia Reyes on November 29, 1949, at Brooke Army Hospital, San Antonio, Texas, as the result of the negligent administration of a caudal anesthetic. This claim is not cognizable under the Federal Tort Claims Act: Provided, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to

harmful by a shortage of power and there are brownouts and rationing.

There is a prospect that the Senate will vote to include the Hanford reactor in the AEC program, and that enough support can be rallied among the 120 nonvoting Members of the House to restore the item on the basis of a conference agreement. Perhaps this can be done, but not unless the political and business leaders of the Pacific Northwest take more interest in the project than they have to date, and go to bat behind the Kennedy administration.

This is a fight which calls for a merging of forces. Frankly, the Oregonian, which has urged construction of the dual purpose reactor for several years, is disgusted with the apathetic attitude of Northwest civic and business leaders who have not taken the trouble to learn the facts and who have been misled by false propaganda about private enterprise. Let's get to work.

Mr. MORSE. I am certain, that in supporting this section of the pending bill, I am supporting a project which is not only in the interest of the Pacific Northwest, but in the interest of giving the entire country some guarantee of a needed energy supply in the immediate future.

Who among us really knows what our contest with the Russians is going to be in the next 10 years? We had better see to it that, from the standpoint of our national defense, we do not this afternoon throw away an opportunity to provide a needed supply of power that will help meet the threat of the rise of Russian industrialization.

For these reasons, Mr. President, I urge support of the majority of the committee.

Mr. JACKSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I commend the able senior Senator from Oregon for his very fine statement. He has supported this project from its inception. As a matter of fact, I believe the head of the General Electric Co., Mr. Cordiner, first advocated it in 1953. I commend the Senator for his statement this afternoon.

Mr. MORSE. - I am simply following the leadership of the two Senators from Washington [Mr. MAGNUSON and Mr. JACKSON], the Senator from Rhode Island [Mr. PASTORE], and the Senator from New Mexico [Mr. ANDERSON].

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MAGNUSON. I join my colleague in commending the Senator for his very fine presentation. I am not a member of the Joint Committee on Atomic Energy, nor do I know very much about the technical aspects of the problem. It is my understanding, from having discussed the problems with Senators who have gone into this at great length—it happens that my colleague [Mr. JACKSON] is a member of the committee, but the facts would be the same whether or not that were true or whether or not the project were in the Pacific Northwest—that one of the

principal justifications for the project is that it would provide some experience in the field and would be pretty much a large pilot plant operation.

Mr. MORSE. The Senator is correct. It would be the largest producer of electric power from atomic energy.

Mr. MAGNUSON. It would help us to advance technologically in this field. We are going to build the reactor, anyway. For this amount of money we shall be able to find out things usable all over the United States for peaceful development of atomic energy.

Mr. MORSE. The Senator is correct.

Mr. MAGNUSON. I know I have supported appropriations of many millions of dollars, even more than the amount involved for this particular project, no matter where the operation was to be located or whether it was to be provided by private industry, to experiment and to learn and to get to know how to use atomic energy for peaceful purposes.

Mr. MORSE. The Senator is completely correct.

Mr. MAGNUSON. This is only one facet of the problem. In many cases there has been no particular return, except what we have learned. Now we shall not only learn something but also we shall receive a return in dollars and cents for the Treasury while we are learning.

I hope Senators will read the report. The report says, in part:

Although the principal justifications for the addition of electrical generating facilities relate to the economic benefits and benefits concerning national defense and international prestige, technical benefits will also accrue.

One of the main items is know-how.

Mr. MORSE. The Senator is correct.

Mr. President, I yield the floor.

VISIT TO SENATE BY LEBANESE PARLIAMENTARY DELEGATION

Mr. FULBRIGHT. Mr. President, it is with great pleasure I invite the attention of my colleagues to the fact that we are honored by a visit of six very distinguished visitors from the country of Lebanon, together with their Ambassador. Our distinguished visitors are Mahmoud Amar, Hazem El-Kadri, Edouard Honein, Habib Mutran, Abdu Saab, and Fedallah Talhouk; and they are accompanied by the Honorable Nadim Dimechkié, the Ambassador of Lebanon.

Mr. President, Lebanon has been one of the staunchest friends of freedom and independence, and has been a very great friend of this country for many years. Several hundred thousand people of our country derive their nationality from and are descendants of citizens of Lebanon.

Mr. President, we have enjoyed a fine luncheon with these gentlemen, who are on a tour, having already visited in the Far East. They will visit many fellow countrymen of theirs who live in our country during the coming days.

I hope Members of the Senate will be able to greet these gentlemen, and I know I speak for the Senate in extending to them a warm welcome and telling them we are delighted to have them. We hope they will have a successful and

pleasant visit in our country.

I am sure that as a result of their visit there will be much closer relations and greater understanding between our two countries.

[Applause, Senators rising.]

Mr. HICKENLOOPER. Mr. President, I join the Senator from Arkansas, the chairman of the Committee on Foreign Relations, in welcoming our distinguished visitors from Lebanon. I assure them we are happy to have this opportunity to see them and to have them visit us in the Senate. I have visited in Lebanon on several occasions and have been cordially received. We are glad that in some small measure we can return the hospitality.

The PRESIDING OFFICER (Mr. BURRICK in the chair). On behalf of the Senate, the Chair extends a hearty welcome to our visitors of the Lebanese parliamentary delegation and their Ambassador.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1962—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of July 17, 1961, pp. 11793-11794, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, I move that the report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7444, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
July 18, 1961.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 19, 22, 35, and 38 to the bill (H.R. 7444) entitled "An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and concur therein with an amendment, as follows: In lieu of the matter stricken by the Senate insert the following: "Provided further, That \$10,000,000 of this appropriation shall be available for

assistance under section 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, \$2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children."

That the House recede from its disagreement to the amendment of the Senate num-

bered 23, and concur therein with an amendment, as follows: In lieu of the figure "15" contained in said amendment insert the figure "10".

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 17 and 23.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a comparative table showing appropriations for 1961, and amounts and estimates recommended in the bill for 1962.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparative table of appropriations for 1961 and estimates and amounts recommended in bill for 1962

TITLE I—REGULAR ACTIVITIES

Item	Appropriations, 1961	Budget estimates, 1962 (revised)	Amount recommended in House bill, 1962	Amount recommended in Senate bill, 1962	Conference allowance 1962
Agricultural Research Service:					
Salaries and expenses:					
Research	\$71,233,000	\$77,174,000	\$76,558,000	\$78,015,500	\$77,311,000
Plant and animal disease and pest control	53,970,000	55,390,000	55,165,000	55,540,000	55,352,500
Mest inspection	23,126,000	24,216,000	24,216,000	24,216,000	24,216,000
Total	148,329,000	156,780,000	155,939,000	157,771,500	156,879,500
Salaries and expenses (special foreign currency program)	15,131,000	5,265,000	5,265,000	5,265,000	5,265,000
Construction of facilities	7,750,000	550,000	800,000	800,000	800,000
State experiment stations: Payments to States and Puerto Rico	32,553,000	34,553,000	34,553,000	36,553,000	35,553,000
Penalty mail	250,000	250,000	250,000	250,000	250,000
Total	32,803,000	34,803,000	34,803,000	36,803,000	35,803,000
Total, Agricultural Research Service	204,013,000	197,398,000	196,807,000	200,639,500	198,747,500
Extension Service:					
Payments to States and Puerto Rico	56,578,000	58,790,000	58,790,000	59,790,000	59,590,000
Retirement costs for extension agents	5,961,000	6,260,000	6,260,000	6,260,000	6,260,000
Penalty mail	2,490,000	2,490,000	2,490,000	2,490,000	2,490,000
Federal Extension Service	2,402,000	2,500,000	2,452,000	2,477,000	2,464,500
Total, Extension Service	67,431,000	70,040,000	69,992,000	71,017,000	70,804,500
Farmer Cooperative Service	657,000	657,000	657,000	657,000	657,000
Soil Conservation Service:					
Conservation operations	88,604,000	89,725,000	89,725,000	89,725,000	89,725,000
Watershed protection	36,725,000	53,787,000	53,787,000	53,787,000	53,787,000
Flood prevention	19,570,000	19,463,000	25,000,000	22,231,500	25,000,000
Great Plains conservation program	10,168,000	10,168,000	10,168,000	10,168,000	10,168,000
Total, Soil Conservation Service	155,067,000	173,143,000	178,680,000	175,911,500	178,680,000
Economic Research Service	9,049,000	9,533,000	9,049,000	9,364,000	9,360,000
Statistical Reporting Service	8,183,000	8,722,000	8,688,000	8,978,000	8,748,000
Agricultural Marketing Service:					
Marketing research and service:					
Marketing research	4,217,200	4,515,000	4,515,000	4,870,000	4,740,000
Marketing service	29,694,900	33,295,000	33,187,000	33,370,000	33,299,500
Total	33,912,100	37,810,000	37,702,000	38,165,000	38,039,500
Payments to States and possessions	1,195,000	1,195,000	1,400,000	1,325,000	1,325,000
School lunch program	110,000,000	120,000,000	125,000,000	125,000,000	125,000,000
Total, Agricultural Marketing Service	145,107,100	159,005,000	164,102,000	164,565,000	164,364,500
Foreign Agricultural Service:					
Salaries and expenses	14,15,275,300	12,760,000	12,457,000	12,457,000	12,457,000
Salaries and expenses (special foreign currency program)	3,465,200	3,444,000	3,444,000	3,444,000	3,444,000
Total, Foreign Agricultural Service	18,740,500	16,204,000	15,901,000	15,901,000	15,901,000
Commodity Exchange Authority	990,000	1,007,000	1,000,000	1,007,000	1,007,000
Commodity Stabilization Service:					
Acreage allotments and marketing quotas	43,598,000	44,833,000	44,098,000	44,098,000	44,098,000
Sugar Act program	74,500,000	81,314,000	78,000,000	78,000,000	78,000,000
Agricultural conservation program	242,000,000	238,000,000	238,000,000	238,000,000	238,000,000
Special agricultural conservation program		20,500,000	15,000,000	18,500,000	18,500,000
Conservation reserve program	330,000,000	330,000,000	300,000,000	312,000,000	312,000,000
Total, Commodity Stabilization Service	690,098,000	714,647,000	675,098,000	690,598,000	690,598,000
Federal Crop Insurance Corporation: Operating and administrative expenses	6,561,000	6,561,000	6,561,000	6,561,000	6,561,000
Rural Electrification Administration: Salaries and expenses	10,024,000	10,024,000	10,024,000	10,024,000	10,024,000
Farmers Home Administration: Salaries and expenses	33,017,000	33,317,000	33,017,000	33,167,000	33,017,000
Office of General Counsel	3,625,000	3,650,000	3,650,000	3,650,000	3,650,000
Office of Secretary	3,080,500	3,130,000	3,096,000	3,103,500	3,096,000
Office of Information	1,548,000	1,610,000	1,584,000	1,597,000	1,590,500
Centennial observance of agriculture		130,000		100,000	100,000
Library	951,000	1,057,000	1,000,000	1,057,000	1,023,500
Total, regular activities	1,358,147,100	1,409,835,000	1,378,906,000	1,397,897,500	1,397,934,500

TITLE II—FOREIGN ASSISTANCE PROGRAMS

Public Law 480:					
Sales for foreign currencies	(\$1,353,000,000)	\$1,310,500,000	\$1,250,451,000	\$1,250,451,000	\$1,250,451,000
Emergency famine relief	(255,685,000)	140,868,000	140,868,000	140,868,000	140,868,000
Long-term supply contracts		13,000,000	13,000,000	13,000,000	13,000,000
Total, Public Law 480	(1,608,685,000)	1,464,368,000	1,404,319,000	1,404,319,000	1,404,319,000
International Wheat Agreement	(88,790,000)	70,681,000	70,681,000	70,681,000	70,681,000
Bartered materials for supplemental stockpile	(163,163,000)	174,800,000	125,000,000	125,000,000	125,000,000
Total, foreign assistance programs	(1,860,638,000)	1,709,849,000	1,600,000,000	1,600,000,000	1,600,000,000

Footnotes at end of table.

Comparative table of appropriations for 1961 and estimates and amounts recommended in bill for 1962—Continued

TITLE III—CORPORATIONS

Item	Appropriations, 1961	Budget estimates, 1962 (revised)	Amount recom- mended in House bill, 1962	Amount recom- mended in Senate bill, 1962	Conference allowance 1962
Federal Crop Insurance Corporation: Administrative and operating expenses.....	(\$2, 630, 000)	(\$2, 830, 000)	(\$2, 830, 000)	(\$2, 830, 000)	(\$2, 830, 000)
Commodity Credit Corporation:					
Restoration of capital impairment (price support and related operations).....	1, 226, 500, 000	1, 017, 610, 000	1, 017, 610, 000	1, 017, 610, 000	1, 017, 610, 000
Reimbursements of prior year expenditures for foreign assistance and other special activities:					
Public Law 480:	(1960 costs)	(1961 costs)	(1961 costs)	(1961 costs)	(1961 costs)
Sales for foreign currencies.....	881, 000, 000	1, 353, 000, 000	1, 353, 000, 000	1, 353, 000, 000	1, 353, 000, 000
Emergency famine relief.....	107, 094, 000	255, 685, 000	255, 685, 000	255, 685, 000	255, 685, 000
Total, Public Law 480.....	988, 094, 000	1, 608, 685, 000	1, 608, 685, 000	1, 608, 685, 000	1, 608, 685, 000
International Wheat Agreement.....	32, 572, 000	88, 790, 000	88, 790, 000	88, 790, 000	88, 790, 000
Bartered materials for supplemental stockpile.....	422, 950, 000	163, 163, 000	163, 163, 000	163, 163, 000	163, 163, 000
Grain for migratory waterfowl.....	18, 000	13, 000	13, 000	13, 000	13, 000
Grading and classing activities.....		1, 264, 000	1, 264, 000	1, 264, 000	1, 264, 000
Total, reimbursements.....	1, 443, 634, 000	1, 861, 915, 000	1, 861, 915, 000	1, 861, 915, 000	1, 861, 915, 000
Reimbursement for special milk program.....		90, 000, 000	90, 000, 000	90, 000, 000	90, 000, 000
Administrative expense limitation.....	(45, 726, 000)	(48, 316, 000)	(47, 500, 000)	(47, 916, 000)	(47, 916, 000)
Total, corporations.....	2, 670, 134, 000	2, 969, 525, 000	2, 969, 525, 000	2, 969, 525, 000	2, 969, 525, 000

TITLE IV—RELATED AGENCIES

Farm Credit Administration: Administrative expense limitation.....	(\$2, 589, 000)	(\$2, 590, 000)	(\$2, 590, 000)	(\$2, 590, 000)	(\$2, 590, 000)
Department of Interior: Grain for migratory waterfowl.....	(7)	35, 000	35, 000	35, 000	35, 000
Total, related agencies.....		35, 000	35, 000	35, 000	35, 000

SUMMARY OF THE BILL

Advance appropriations (fiscal year 1962):	\$1, 358, 147, 100	\$1, 409, 835, 000	\$1, 378, 906, 000	\$1, 397, 822, 500	\$1, 397, 934, 500
Title I—Regular activities.....		1, 709, 849, 000	1, 600, 000, 000	1, 600, 000, 000	1, 600, 000, 000
Title II—Foreign assistance programs (to put on pay-as-you-go basis).....		35, 000	35, 000	35, 000	35, 000
Title IV—Related agencies.....					
Total.....	1, 358, 147, 100	3, 119, 719, 000	2, 978, 941, 000	2, 997, 857, 500	2, 997, 969, 500
Restoration of CCC funds expended for prior year operations:					
Title III:					
Price support program.....	1, 226, 500, 000	1, 017, 610, 000	1, 017, 610, 000	1, 017, 610, 000	1, 017, 610, 000
Foreign assistance and other programs financed by CCC at direction of Congress.....	1, 443, 634, 000	1, 951, 915, 000	1, 951, 915, 000	1, 951, 915, 000	1, 951, 915, 000
Total.....	2, 670, 134, 000	2, 969, 525, 000	2, 969, 525, 000	2, 969, 525, 000	2, 969, 525, 000
Total in bill.....	4, 028, 281, 100	6, 089, 244, 000	5, 948, 466, 000	5, 967, 457, 500	5, 967, 494, 500

¹ Adjusted for comparability to reflect changes in organization and appropriation structure.

² Includes \$2,813,000 for grading and classing activities formerly financed through Commodity Credit Corporation. \$1,264,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.

³ In addition, transfers of \$45,000,000 from sec. 32 funds provided.

⁴ In addition, transfers of \$3,117,000 from sec. 32 funds provided.

⁵ Amounts carried for comparative purposes only. Funds provided under title III for reimbursement to Commodity Credit Corporation.

⁶ These funds for fiscal year 1962, through June 30, 1962, carried for first time as advance appropriations.

⁷ \$13,000 provided for fiscal year 1961 as reimbursement to Commodity Credit Corporation under title III of this bill.

PERMANENT APPROPRIATIONS

Item	Authorizations, 1961	Budget estimates, 1962	Increase or decrease
Agricultural Marketing Service:			
Removal of surplus agricultural commodities (sec. 32).....	\$319, 960, 723	\$337, 500, 000	+\$17, 539, 277
Perishable Agricultural Commodities Act fund.....	670, 000	670, 000	
Total, Agricultural Marketing Service.....	320, 630, 723	338, 170, 000	+17, 539, 277
Commodity Stabilization Service: National Wool Act.....	67, 189, 909	59, 000, 000	-8, 189, 909
Total, permanent appropriations.....	387, 820, 632	397, 170, 000	+9, 349, 368

NOTE.—Amounts as estimated and shown in the January 1961 budget document for 1962. Subject to further revision.

LOAN AUTHORIZATIONS

Item	Authoriza- tions, 1961	Budget esti- mates, 1962	Amount recom- mended in House bill, 1962	Amount recom- mended in Senate bill, 1962	Conference allowance 1962
Rural Electrification Administration:					
Electrification loans:					
Direct authorization.....	\$110, 000, 000	\$195, 000, 000	\$125, 000, 000	\$195, 000, 000	\$175, 000, 000
Contingency authorization.....	60, 000, 000		70, 000, 000	50, 000, 000	70, 000, 000
Total.....	170, 000, 000	195, 000, 000	195, 000, 000	245, 000, 000	245, 000, 000
Telephone loans:					
Direct authorization.....	80, 000, 000	150, 000, 000	120, 000, 000	150, 000, 000	132, 500, 000
Contingency authorization.....	60, 000, 000		30, 000, 000	12, 500, 000	30, 000, 000
Total.....	140, 000, 000	150, 000, 000	150, 000, 000	162, 500, 000	162, 500, 000
Total, Rural Electrification Administration.....	310, 000, 000	345, 000, 000	345, 000, 000	407, 500, 000	407, 500, 000

LOAN AUTHORIZATIONS—Continued

Item	Authoriza- tions, 1961	Budget esti- mates, 1962	Amount recom- mended in House bill, 1962	Amount recom- mended in Senate bill, 1962	Conference allowance 1962
Farmers Home Administration:					
Farm ownership loans:					
Direct authorization.....	\$26,900,000	\$31,900,000	\$31,900,000	\$40,000,000	\$40,000,000
Contingency authorization.....	5,000,000				
Total.....	31,900,000	31,900,000	31,900,000	40,000,000	40,000,000
Farm operating loans:					
Direct authorization.....	197,100,000	232,100,000	225,000,000	237,500,000	237,500,000
Contingency authorization.....	35,000,000		25,000,000	37,500,000	37,500,000
Total.....	232,100,000	232,100,000	250,000,000	275,000,000	275,000,000
Soil and water conservation loans (direct authorization).....	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total, Farmers Home Administration.....	267,000,000	267,000,000	284,900,000	318,000,000	318,000,000
Total, loan authorizations.....	577,000,000	612,000,000	629,900,000	725,500,000	725,500,000

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KUCHEL. If I understand correctly, the agricultural appropriation bill is now on the way to the White House.

Mr. RUSSELL. This completes legislative action on it.

Mr. KUCHEL. The Senate salutes our gallant friend from Georgia. This is the first appropriation bill which is on its way to the White House in this session of Congress. We should have completed action on appropriation legislation before the end of the last fiscal year. We have not done so. I wish to say to the able Senator from Georgia: Congratulations. The log jam is broken. Maybe if we can keep it up we will be able to get out of here and go home.

Mr. RUSSELL. I thank the Senator for his kind remarks. I hope that this will be the first of a number of final actions on the supply bills for the operation of the Government.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Mr. HICKENLOOPER. Mr. President, the issue before the Senate has revolved around project 62-a-6 in the bill. So that the issue may be clear cut I offer the amendment which I send to the desk and ask to have stated. The Senator from Rhode Island, who is in charge of the bill, is thoroughly familiar with the amendment. It would merely strike this particular item.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, it is proposed to strike the figure "\$226,440,000" and substitute the following: "\$131,440,000".

Page 2, lines 12 to 14, inclusive, it is proposed to strike out "Project 62-a-6, electric energy generating facilities for the new production reactor, Hanford, Washington, \$95,000,000."

Beginning page 11, line 22 and continuing to page 12, line 12, inclusive, being section 110, it is proposed to strike out:

SEC. 110. DISPOSITION OF ELECTRIC ENERGY.—

(a) Electric energy produced during the operating life of the electric generating facilities constructed under section 101(a) shall be delivered by the Commission at the site of said generating facilities to, and pursuant to agreement with the Secretary of Interior who shall transmit and dispose of such energy under the terms prescribed by section 44 of the Atomic Energy Act of 1954, as amended.

(b) Allocation of costs to the production of such electric energy shall be made jointly by the Commission and the Secretary of the Interior, and, in the event of disagreement, shall be made by the President. Costs so allocated shall be returned to the Treasury from revenue derived by the Secretary from the disposition of electric energy marketed through the Bonneville Power Administration.

Mr. HICKENLOOPER. Mr. President, I think it is abundantly clear, from the presentation made today by those in charge of the bill, that project 62-a-6 in the bill before the Senate today is a project not for the scientific advancement of atomic energy nor for the development of scientific knowledge. It is purely and simply a measure for the production of commercial electricity in the Pacific Northwest.

There has been not one argument advanced by the Senator from Rhode Island or by the Senator from Washington that the operation of this electrical facility which, in and of itself, will cost over \$120 million, will contribute a single provable benefit to the advancement of the art of atomic energy or to the art of the production of power. The argument has been based solely on the production of commercial power by the Atomic Energy Commission.

I wish to make my position perfectly clear. I have supported power projects in the Pacific Northwest and in other places. I am not opposed to such projects when they are the proper province of the Government or its properly constituted agencies. I have supported power projects developed and operated by the Department of the Interior under a proper approach.

I have supported other Federal power projects when I have thought such proj-

ects were within the proper province of the Government. But now we are presented with an innovation in Government policy. While the proposal is not the first one that has been made, we hear proposed for the first time that the Atomic Energy Commission, which is a scientific investigating commission and a scientific commission for the development of the art of atomic energy, enter into the commercial production of power. I say that such action would be wrong. It would be contrary to the purpose of the act. It would be contrary to the spirit that created the Atomic Energy Commission.

If we wish to produce electric power using atomic energy as heat, let us face the issue, as we have in respect to other projects under the Department of the Interior or other agencies, and create a commercial operating agency for the production of such heat.

Again I emphasize that no serious attempt, either in the committee or in the Senate, has been made to maintain that the operation of the proposed electrical facility attached to the plutonium plant will, in any material or substantial way, advance the production of power using atomic heat. Why? Because reactor technology is known. It has been proven. Nothing material would be added to the known technology of reactors except as we learn more about a Ford automobile every day by driving it. We learn a little about it. Perhaps it may have a wobbly back wheel. We learn about it and fix it. But nothing has been advanced about the proposed reactor that is not already proven, and certainly nothing has been advanced in respect to the generating facilities that are supposed to be added to the reactor.

Therefore the operation is purely one for the commercial sale of power. It would violate the principles of the Atomic Energy Act. I believe it is wrong to approach the question in this way. I think the proposal would not contribute anything to the advancement of the atomic art. On the contrary, it would create inexcusably expensive electricity in the area in which its installation is proposed. Needed electricity could be produced by other means at a lesser cost.

We have heard a great deal about the cost per kilowatt-hour of the electricity



An Act

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962; namely:

Department of
Agriculture and
Related Agencies
Appropriation
Act, 1962.
75 STAT. 225.
75 STAT. 226.

DEPARTMENT OF AGRICULTURE

TITLE I—REGULAR ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, and home economics, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two, of which one shall be for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$15,000, except for five buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for conversion of animal disease and parasite research facilities at Beltsville, Maryland:

58 Stat. 742.
60 Stat. 810.

58 Stat. 742.

Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, including administration of payments to State agricultural experiment stations, \$77,311,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That the Secretary of Agriculture may sell the Entomology Research Laboratory at Orlando, Florida, in such manner and upon such terms and conditions as he deems advantageous and the proceeds of such sale shall remain available until expended for the establishment of an entomology research laboratory: *Provided further*, That in the establishment of such laboratory the Secretary may acquire land therefor by donation or exchange: *Provided further*, That the Secretary may acquire approximately thirty-five acres of land at Kerrville, Texas, by donation, for research purposes;

62 Stat. 198.

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests

61 Stat. 7.
31 USC 665.

and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), \$55,352,500, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases to the extent necessary to meet emergency conditions: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for fiscal year 1963 that does not require minimum matching by any State of at least 40 per centum: *Provided further*, That the Secretary is authorized to acquire land for the plant pest control activities presently located at Gulfport, Mississippi;

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat, and meat-food products, and the applicable provisions of the laws relating to process or renovated butter, \$24,216,000.

Special fund: To provide for additional labor to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$1,000,000 of the amount appropriated under this head for the fiscal year 1961 may be used by the Administrator of the Agricultural Research Service in departmental research programs in the fiscal year 1962, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

68 Stat. 456.
73 Stat. 606.

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of that Act, to remain available until expended, \$5,265,000: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Agricultural Research Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses.

CONSTRUCTION OF FACILITIES

For construction of facilities and acquisition of the necessary land therefor by donation or exchange, \$800,000, to remain available until expended: *Provided*, That the Secretary may purchase land at a price not in excess of \$10 for construction of facilities at Columbia, Missouri.

STATE EXPERIMENT STATIONS

Payments to States and Puerto Rico: For payments to agricultural experiment stations to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture, \$35,053,000; and

69 Stat. 671.

payments authorized under section 204(b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U.S.C. 1623), 60 Stat. 1089. \$500,000; in all, \$35,553,000.

Penalty mail: For penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, 7 USC 361f. \$250,000.

DISEASES OF ANIMALS AND POULTRY

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, as amended, and 61 Stat. 7. the Act of May 29, 1884, as amended (7 U.S.C. 391; 21 U.S.C. 23 Stat. 31. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other 21 USC 114c. appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

EXTENSION SERVICE

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), \$58,020,000; and payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,570,000; in all, \$59,590,000: 67 Stat. 83. 69 Stat. 683. 60 Stat. 1089. *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year. 7 USC 343.

Retirement costs for extension agents: For cost of employer's share Federal retirement for cooperative extension employees, \$6,260,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$2,490,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$2,464,500.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

44 Stat. 802. For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), \$657,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

49 Stat. 163. For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, \$89,725,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

58 Stat. 742.

60 Stat. 810.

WATERSHED PROTECTION

68 Stat. 666.
49 Stat. 163. For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), to remain available until expended, \$53,787,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That not to exceed \$100,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed \$2,500,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

58 Stat. 742.

60 Stat. 810.

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 74 Stat. 131), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), to remain available until expended, \$25,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), \$10,168,000, to remain available until expended.

ECONOMIC RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; \$9,360,000: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That not to exceed \$75,000 of the appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574) as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

STATISTICAL REPORTING SERVICE

SALARIES AND EXPENSES

60 Stat. 1087. For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$8,748,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop.

AGRICULTURAL MARKETING SERVICE

MARKETING RESEARCH AND SERVICE

60 Stat. 1087. For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 U.S.C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$15,000, except for two buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater:

58 Stat. 742. Marketing research: For research and development relating to agricultural marketing and distribution, including related cost and efficiency evaluations, \$4,740,000;

58 Stat. 742. Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States, \$33,299,500, including not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem, pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946.

60 Stat. 810.

52 Stat. 36.
7 USC 1622.

PAYMENTS TO STATES AND POSSESSIONS

60 Stat. 1089. For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,325,000.

SCHOOL LUNCH PROGRAM

60 Stat. 230. For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$125,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: *Provided further*, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6

49 Stat. 774.
7 USC 612c.

of the National School Lunch Act: *Provided further*, That \$10,000,000 of this appropriation shall be available for assistance under section 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, \$2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children. 42 USC 1755.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$2,457,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service. 68 Stat. 908. 70 Stat. 1034. 49 Stat. 774.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, \$3,444,000, to remain available until expended: *Provided*, That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Foreign Agricultural Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses. 68 Stat. 456. 73 Stat. 606.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), \$1,007,000.

42 Stat. 998;
49 Stat. 1491.

COMMODITY STABILIZATION SERVICE

ACREAGE ALLOTMENTS AND MARKETING QUOTAS

For necessary expenses to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393), \$44,098,000, of which not more than \$7,125,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938".

52 Stat. 38.

7 USC 1392.

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), \$78,000,000, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$2,350,000.

61 Stat. 922.

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590(o), 590p(a), and 590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$238,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1961, carried out during the period July 1, 1960, to December 31, 1961, inclusive: *Provided*, That not to exceed \$29,100,000 of the total sum provided under this head shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,750,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amounts shall be available for administrative expenses in connection with the formulation and administration of the 1962 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, except that hereafter not to exceed 10 per centum of the basic allocation for any State may be used to increase the State's preceding program, and no participant shall receive more than \$2,500, except where the partici-

49 Stat. 1148.

74 Stat. 236.

7 USC 1392.

49 Stat. 1148.
16 USC 590g-
590q.

pants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community) : *Provided further*, That no change shall be made in such 1962 program which will have the effect in any county of restricting eligibility requirements or cost-sharing on practices included in either the 1958 or the 1959 programs, unless such change shall have been recommended by the county committee and approved by the State committee: *Provided further*, That not to exceed 5 per centum of the allocation for the 1962 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1962 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

53 Stat. 1147.
5 USC 118k note.
62 Stat. 792.

SPECIAL AGRICULTURAL CONSERVATION PROGRAM

For necessary administrative expenses to carry into effect a special agricultural conservation program pursuant to section 16(c) of the Soil Conservation and Domestic Allotment Act, as added by section 2 of the Act of March 22, 1961, \$18,500,000.

Ante, p. 6.
16 USC 590p.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, \$312,000,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That not to exceed \$12,500,000 shall be available for ad-

70 Stat. 191;
73 Stat. 552.

75 STAT. 235.

7 USC 1388.

ministrative expenses, of which not less than \$10,625,000 may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants.

FEDERAL CROP INSURANCE CORPORATION

OPERATING AND ADMINISTRATIVE EXPENSES

For operating and administrative expenses, \$6,561,000.

RURAL ELECTRIFICATION ADMINISTRATION

49 Stat. 1363. To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

7 USC 907.

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, as follows: Rural electrification program, \$175,000,000; and rural telephone program, \$132,500,000; and additional amounts, not to exceed \$70,000,000 for the rural electrification program and \$30,000,000 for the rural telephone program, may be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1962 under the then existing conditions for the expeditious and orderly development of the rural electrification and telephone programs.

SALARIES AND EXPENSES

58 Stat. 742.

60 Stat. 810.

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$10,024,000.

FARMERS HOME ADMINISTRATION

50 Stat. 522.

60 Stat. 711.

50 Stat. 869;

68 Stat. 735.

63 Stat. 432.

64 Stat. 98.

To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1000-1031); the Farmers Home Administration Act of 1946 (7 U.S.C. 1001, note; 31 U.S.C. 82h; 12 U.S.C. 371; 35 D.C. Code 535; 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U.S.C. 436-439); the Act of August 28, 1937, as amended (16 U.S.C. 590r-590x-3), for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1483), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038), and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting and servicing of credit sales and development accounts in water conservation and utilization projects

(53 Stat. 685, 719), as amended and supplemented (16 U.S.C. 590y, 54 Stat. 1119. z—1 and z—10); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U.S.C. 1033-1039), as follows:

64 Stat. 769.

LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that Act, as amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$40,000,000, of which not to exceed \$2,500,000 may be distributed to States and territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public lands; title II of the Bankhead-Jones Farm Tenant Act, as amended, \$237,500,000; the Act of August 28, 1937, as amended, \$3,000,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952: *Provided further*, That an additional amount, not to exceed \$37,500,000, may be borrowed under the same terms and conditions to the extent that such amount is required during fiscal year 1962 under the then existing conditions for the expeditious and orderly conduct of the loan program under title II of the Bankhead-Jones Farm Tenant Act, as amended.

60 Stat. 1070.

7 USC 1024.

63 Stat. 432.

42 USC 1471-

1483.

7 USC 1000,

1017.

7 USC 1007-

1009.

50 Stat. 869.

16 USC 590r-

590x-4.

65 Stat. 225.

SALARIES AND EXPENSES

For making, servicing, and collecting loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers Home Administration, and other administrative expenses, \$33,017,000, together with a transfer of not to exceed \$1,050,000 of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1005 (b)), and section 10(c) of the Act of August 28, 1937, as amended.

60 Stat. 1076.

7 USC 1005b.

68 Stat. 735.

16 USC 590x-3.

OFFICE OF THE GENERAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$3,650,000: *Provided*, That the Secretary may, if he finds it necessary for the more effective and efficient operation of the Department, transfer additional amounts to this appropriation from other appropriations available to the Department for salaries and expenses for the current fiscal year, but this appropriation shall not be increased by more than 7 per centum by reason of such transfers.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For expenses of the Office of the Secretary of Agriculture; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, \$3,096,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by the Administrative Procedures Act (5 U.S.C. 1001).

60 Stat. 237.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,590,500, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-three thousand and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

34 Stat. 690.

28 Stat. 612.

58 Stat. 742.

60 Stat. 810.

CENTENNIAL OBSERVANCE OF AGRICULTURE

SALARIES AND EXPENSES

For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$100,000, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962.

58 Stat. 742.

60 Stat. 810.

LIBRARY

SALARIES AND EXPENSES

For necessary expenses, including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, \$1,028,500.

TITLE II—FOREIGN ASSISTANCE PROGRAMS

PUBLIC LAW 480

For expenses during fiscal year 1962, not otherwise recoverable, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1709, 1721-1724, 1731-1736), to remain available until expended, as follows: (1) Sale of surplus agricultural commodities for foreign currencies pursuant to title I of said Act, \$1,250,451,000; (2) commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of said Act, \$140,868,000; and (3) long-term supply contracts pursuant to title IV of said Act, \$13,000,000.

68 Stat. 454;
73 Stat. 610.

7 USC 1731-
1736.

INTERNATIONAL WHEAT AGREEMENT

For expenses during fiscal year 1962 under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642), \$70,681,000, to remain available until expended.

63 Stat. 945.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

For expenses during fiscal year 1962 related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to Public Law 540, Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000, to remain available until expended.

70 Stat. 200.

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year 1962 for such corporation or agency, except as hereinafter provided:

61 Stat. 584.
31 USC 849.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$2,830,000 of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

RESTORATION OF CAPITAL IMPAIRMENT

To partially restore the capital impairment of the Commodity Credit Corporation determined by the appraisal of June 30, 1960, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U.S.C. 713a-1), \$1,017,610,000.

52 Stat. 107.

75 STAT. 239.

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR COSTS OF
FOREIGN ASSISTANCE AND OTHER SPECIAL ACTIVITIES

To reimburse the Commodity Credit Corporation for authorized unrecovered costs through June 30, 1961 (including interest through date of recovery), as follows: (1) \$88,790,000 under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642); (2) \$255,685,000 for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of the Act of July 10, 1954, as amended (7 U.S.C. 1703, 1721-1724); (3) \$1,353,000,000 for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of the Act of July 10, 1954, as amended (7 U.S.C. 1701-1709); (4) \$13,000 for grain made available to the Secretary of the Interior to prevent crop damage by migratory waterfowl pursuant to the Act of July 3, 1956 (7 U.S.C. 442-445); (5) \$163,163,000 for strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to Public Law 540, Eighty-fourth Congress (7 U.S.C. 1856); (6) \$1,264,000 for transfers to the appropriation "Marketing research and service" pursuant to the Act of August 31, 1951 (7 U.S.C. 414a) for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U.S.C. 473a, 511d): *Provided*, That the appropriations provided in this paragraph shall be immediately available: *Provided further*, That the unexpended balances of funds heretofore provided for the various purposes under this head may remain available until expended for the purposes for which appropriated and may be merged with the funds provided in this paragraph.

'63 Stat. 945.
68 Stat. 457.
68 Stat. 455.
70 Stat. 492.
70 Stat. 200.
65 Stat. 239.
50 Stat. 62;
49 Stat. 732.

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR COSTS OF
SPECIAL MILK PROGRAM

To reimburse the Commodity Credit Corporation for amounts advanced for the fiscal year beginning July 1, 1960, for the special milk program for children pursuant to the Act of July 1, 1958, as amended (72 Stat. 276; 74 Stat. 84-85), \$90,000,000.

Ante, p. 147.
7 USC 1446 note.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$47,916,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

31 USC 665.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$2,590,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses.

FEDERAL FARM MORTGAGE CORPORATION FUND

The Federal Farm Mortgage Corporation is authorized to make such expenditures, within available funds and in accordance with law, as may be necessary to liquidate its assets: *Provided*, That funds realized from the liquidation of assets which are determined by the Board of Directors to be in excess of the requirements for expenses of liquidation shall be declared as dividends which shall be paid into the general fund of the Treasury.

DEPARTMENT OF INTERIOR

GRAIN FOR MIGRATORY WATERFOWL

For expenses of supplying grain to the Secretary of the Interior to prevent crop damage by migratory waterfowl pursuant to the Act of July 3, 1956 (7 U.S.C. 442-445), \$35,000, to remain available until 70 Stat. 492. expended.

TITLE V—GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed three hundred and ninety-eight passenger motor vehicles, of which three hundred and eighty-five shall be for replacement only, and for the hire of such vehicles.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation of aliens for the Foreign Agricultural Service.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Contracting.

60 Stat. 1082;

72 Stat. 1793.

Short title.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

This Act may be cited as the "Department of Agriculture and Related Agencies Appropriation Act, 1962".

Approved July 26, 1961.